II

GENERAL DISCUSSION OF THE BUDGET FOR 1929-30.

* The hon. the PRESIDENT :—" Before the House takes up the budget discussion I wish to inform the House that some hon. Members suggested to me that the time limit might be extended. But, seeing that only about four hours will be available for non-official members during the remaining two days (to-day and to-morrow) for the discussion of the budget and in view of the fact that more than 40 members have expressed their desire to contribute their valuable remarks to the discussion, I think, I will not be justified in extending the time-limit. I feel therefore constrained to adhere to the time-limit of 10 minutes.

" I want to say one word more. Some hon. Members complained that there was no hint given to them to wind up their speeches. I have requested the Secretary for this purpose to ring the bell as a sort of warning at the 9th minute.

" The Council will now resume discussion of the budget."

Mr. C. V. VENKATARAMANA AYYANGAR :—" Sir, if it is necessary as a matter of custom to congratulate the hon. the Finance Member, the only thing on which I can do so is on his special good luck. He has got, so far as the season and other circumstances of this Presidency are concerned, since he took up office, very favourable chances. And what is more? He has been able to get a very good Secretariat with a Secretary fit to be characterized as very useful. At the time of preparation of the budget, these officers are so hardworked that as the hon. Finance Member said once when he was the Finance Secretary, there is even the risk of their losing their balance of mind. But this year, Sir, I must congratulate the hon. the Finance Member and the Government whom he represents on the peculiar circumstances that one of the non-official leaders of this Presidency was so philanthropic and charitable as to make a very large endowment for education in this Presidency and for starting a university. That is a big fortune that has befallen the Government. I am very glad that I did not speak on the budget yesterday and reserved my speech to this day since, in the interval, as I had expected, the announcement was made this morning conferring the title of Raja on this philanthropic gentleman which is to descend to his son also. We are very glad that this young gentleman has richly deserved the confidence of the Government so well."

" May we go further and say that, as an encouragement, such philanthropic people should not only be given some title or other—Government should not be satisfied with the conferring of titles alone—but should also be given some villages or taluks, the Government collecting from these people only peshkash in the place of present net revenue. If this is done, our people will not lose the opportunity of getting munificent donations from men like Sir (now Raja) Annamalai Chettiyar whose name will go down to posterity for the establishment of an university at Chidambaram. 11-30 a.m.

" May I, in this connexion, begin congratulating the hon. the Leader of the House who will perhaps be the Governor of this Province as it seems, to me to be very clear from the mention made in the course of the hon. the

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Finance Member's speech, viz., 'that a provision of Rs. ·85 lakh the usual initial grants under various heads for the in-coming Governor will not be now required till the next year." That only foreshadows the future events.

"So far as the question of the budget is concerned, it has been discussed from various points of view, the Brahman, non-Brahman, Muhammadan and the Adi-Dravida and what not. Sir, I shall confine myself to the budget purely from a business point of view. So far as the budget is concerned, we see that this is another additional year in which the Government have purposely under-rated the income and over-rated the expenditure. Such a practice was in vogue in the previous years, and such a thing might have been justifiable in the days of provincial contributions. But the Government of India have now specifically stated that they will not ask for any more contributions from the Provincial Governments. Therefore it is very clear that there should be absolutely no reason for this wrong calculation. Such a system of wrong calculation has necessarily swelled our cash balances to over four crores of rupees during recent years. That is one of the important points so far as economics are concerned and we do blame the Government for their expectations, by way of expenditure and income being purposely kept either too high or too low.

"Coming to the question of these surpluses, I am glad that Government after all have got the streak of wisdom to decide that they do not want to invest their surpluses with the Government of India and then borrow from them at a higher rate of interest, but, that so far as these deficits are concerned, they should make up the deficiency from out of these surpluses I ask whether as a true businessman the hon. the Finance Member is not bound to do it, even so far as other borrowings are concerned. As there is a big cash surplus at the end of this year, he says that he will take out of that some 36 lakhs of rupees which will be the deficit in the budget of next year. He has also stated that he will take the necessary borrowings, apart from Mettur loan, from out of these surpluses. He went further and stated that a sum of about 212 lakhs of rupees which is the total debt due to the working of the Government since the beginning of the Reforms, will also be taken out of these surpluses. Taking all these sums together there will still be a balance which will come to about 2½ crores of rupees and we see no reason why the Government should invest it with the Government of India at a rate of 4 per cent and then borrow for such schemes as Mettur scheme and other schemes at 5 per cent. I would ask the Government to give this matter their very careful attention. According to his own calculation it is not a small sum, but a large one, that they are going to borrow for the Mettur reservoir. So, I would ask the Government whether by adopting this wise policy, viz., of not investing our moneys with the Government of India and not applying to them for loans at a higher rate of interest, this Government will not be able to save a large sum of money out of the interest to be paid.

"Regarding one other point, I am not quite clear—if the hon. the Finance Member makes it clear I shall be glad—and that is, from which time we should pay the interest on our borrowings. When you take a loan by portions, for what period you should pay interest on each portion? When once a portion of a loan is taken it is incorporated, as it were, in the finances of this Presidency and we are paying interest, not from the date from which the money is begun to be spent, but from the date on

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which the loan was granted. That is not correct banking. There should be something like drawing over-drafts, so that this Government may pay interest only on sums actually utilized for the purpose of this province. The question is whether this Government from out of $2\frac{1}{2}$ crores of rupees, cannot borrow by way of adjustment of the two sides of the accounts this Mettur loan and other loans that are necessary in the course of the year and if they do so, they will be able to save a lot of interest charges. Government of India may be asked to give loans to this Presidency whenever more money is necessary. I may in concluding this portion of my speech refer to one other thing and that is, what some of our friends have said that it is not desirable to borrow any funds at all. I do not agree with them. If we can borrow Rs. 100 at 4 per cent and invest it at 5 per cent, certainly we are entitled to borrow and invest the money usefully.

"So far as the Excise department is concerned, some 4 lakhs of rupees have been allotted for propaganda work. Some have said it is unnecessary. I will go a step further and say that it is vicious. We have heard the story that if a father asks his boy not to look at a particular direction, the boy will somehow or other succeed in looking in that direction. Like that, if people are shown the benefits of moderate drinking and the evil of excessive drinking, in cinema pictures, etc., in various places, they will naturally be tempted in a way to take to drinking. So, this propaganda work by spending 4 lakhs of rupees is certainly mischievous and for goodness sake let us not have anything to do with such a propaganda work. If we spend the money for propaganda work towards absolute prohibition, that will give at least some good results.

"Having dealt with some general aspects of the budget so far, I will now turn my attention a little to the expenditure side. So far as expenditure is concerned, I think that our Government should manage to have an increase in their income from the Industries departments including Forest. But unfortunately whatever work is begun, it is done with a top-heavy establishment. I understand—I speak subject to correction—that the Kerala Soap Institute has got a Manager on about Rs. 1,000 per month. I do not think any businessman will be paying such a large salary to his Manager for such a small concern. When I went to see the Chenat Nair Forest scheme, I at once reported that the scheme was a very good one but it was very heavy at the top and the officers were too many. I am sure that much good is possible from the Chenat Nair Forest scheme and the Russellkonda Saw Mills provided they have economical management. There is one curious thing. The hon. the Finance Member is very lucky indeed, because whenever he went and examined any scheme which was alleged to be working at a loss, he found that it was working at a profit. If these schemes are worked with a top-heavy expenditure, just as we see men in the cinema shows advertisements with big heads and slender limbs, I am afraid these schemes will have to die soon.

"The hon. the Finance Member took some pride in saying that the sandalwood fetched a higher price. If the methods had been stretched a little further and if we had imitated the Mysore Sandalwood Oil Factory in working an oil factory, there would have been more profits.

"With regard to forests, I ask whether this Government have done anything by way of substantially organizing the income from forests. The hon. Member in charge of the Forests seems to have consented to the closing of

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Chenat Nair scheme. I say these schemes are profitable if they are not worked with a costly top-heavy administration. Over night when we read the proceedings of the Government of India in the Legislative Assembly, we found that the question of sleepers was dealt with. Why should we import iron sleepers from England in preference to wooden sleepers unless it be to reduce unemployment in England. Iron sleepers are dangerous for travelling. Iron sleepers, just as iron rails, are affected by heat and when laid on the lines, these iron sleepers contract or prolong according to the weather and even to the existence of shade or otherwise with the result that the wheels do not go smoothly and we may have even accidents. I would urge that this point should be taken into consideration by the Government and they must see their way to prefer wooden-sleepers to iron-sleepers.

"These are the points that I wanted to urge and if Government were to utilize their first streak of wisdom properly in the various activities of the Government, then we may be able to effect an actual reduction in taxation in this province."

* Diwan Bahadur P. C. Ethirajulu Nayudu:—"Mr. President, I rise to congratulate the Chancellor of the Exchequer on the budget that he has been able to present to this House and on the lucid exposition of figures that he had made. It is rarely given to any Finance Member to expound a tale, of wants met, of demands granted, and of new schemes adopted. The hon. Mr. Moir may recall the days when as Financial Secretary he had a tale of woe to unfold. He will remember as indeed many of those older members of this Council do, the retrenchment committee's work, the severe cuts made on every side, the reduction in establishment and the cessation of all development in nation-building departments. Thanks to a unique revival of the finances of the Central Government and thanks to Sir Blasil Blacket, the most abused Finance Member of the Government of India, whose services in stablising the financial position of the country and in giving the much-needed relief to the Provinces, we in Madras, at any rate cannot forget, we have been enabled to-day to preserve a cheerful countenance while the budget is being presented.

"I do not propose to review the varied activities of the departments during the last year, nor will I have the time to go through the necessary inquisitorial proceedings if such a review were to be properly done. It has often been suggested that the Transferred Departments have had the entire benefit of the reduction in Provincial contributions and that a great deal has been spent on nation-building activities on account of the large accrual of income to the Provincial Government. The memorandum of the Finance Secretary makes it however clear that this is an incorrect statement of facts. 'Taking a period of eight years 1920-21 to 1927-28' says the Finance Secretary 'there has been an increase of 219·14 lakhs under reserved and 188·26 under transferred.' Even assuming that the activities of the Government which go for the development of advancement of the country in such departments, as Irrigation, Labour and Hydro-electrical services are treated as transferred, the increase in reserved and transferred departments would be fairly equal: so that the large balances that have been at the disposal of the Government from time to time have been equally and impartially divided between the two halves of the Government.

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"I shall now refer to some of the new schemes that have found a place in the coming budget. I find that a sum of Rs. 8,300 has been provided for opening a school of fine arts in Madras. I understood that there was a school in existence all the time, but looking at the inartistic manner in which the province has developed, I am not surprised that the Government have now realized the need for a fresh opening of a real school of fine arts. On every side the artistic sense has to be developed and I can only hope that in public life and in local affairs in future, the school of fine arts will be instrumental in creating a more artistic public atmosphere than we have witnessed recently, particularly in the city of Madras. It is regrettable to note, Sir, that the budget shows a tendency on the part of the Government to arrest the further expansion of the elementary education of boys. While I am glad to see that more girls schools are intended to be opened and more Muhammadan elementary schools also provided for, the amount of subsidy which the Government contemplate making to the local boards and panchayats for the opening of new boys schools is altogether inadequate.

"I do not know whether there is a reversal of policy with reference to the expansion of elementary education and whether under expert advice Government is contemplating a consolidation of the work so far done instead of going ahead with further expansion. Consolidation, strengthening and making more efficient the organizations now in existence, are all happy phrases which the expert is only too anxious to adopt. But I think what is required first and foremost is a wide dissemination of knowledge. Quantity is more essential at this stage than even quality and I shall be very sorry indeed if in pursuit of a quality which is artistic and perhaps unattainable, the quantity and distribution of knowledge is arrested. 11-45 a.m.

"I am sorry also to see that a very inadequate sum of Rs. 71,000 is provided as subsidy for the construction of buildings for secondary schools under local bodies as against an ultimate demand of over Rs. 5 lakhs. I cannot consider that this is the demand which the Government expect to be presented to them in the course of the coming year, and I trust that supplementary estimates will be brought before the Council to give a greater amount of money for local bodies for such schools. While I am on the subject of education, I should like to refer, with regret, to the fact that notwithstanding the report of the Physical Development Advisory Committee which strongly recommended that play-grounds for sports should be provided for in every school and college in the city and in the mufassal the budget is blissfully silent. I regret to note that the Government have made no provision at all to carry out the recommendations of this committee. The only item that I find of any interest in connexion with this is the employment of an additional clerk under the Physical Adviser to Government which commits the Government to an expenditure of Rs. 300 and how this additional clerk is going to promote the physical development of thousands of school boys and college youths is a mystery which I leave to the joint intelligence of the Educational Minister and the Finance Member to solve.

"I should like to say a word about the Judicial Department It is the department which is untouched and untouchable. Government have passed a series of orders regarding recruitment to the service—the order in which members of the different communities ought to be appointed to such services. I should like to put a very frank question to the hon. the Law Member and the hon. the Leader of the House. Is this order going to be operative so far

as the Judicial Department is concerned? Have the hon. Judges of the High Court been informed of the need for observing the principle enunciated in the Government Order? Have their views been expressed on the subject? Do they agree or do they differ and to what extent has it been already carried out in operation? The Judicial service is the pivot service of the whole province. It seems to me that it will be more ploughing the sands of the desert if in spite of all the demands and the Government Orders enunciating a principle for the recruitment of services, the most important of all services is either neglected or ignored or is considered so powerful that it cannot be touched by even the august members of the Treasury Bench. The amount of discontent that prevails in the whole province with reference to the department I need not describe in detail. Time after time, in budget after budget, free and frank expression has been given to that discontent. I am anxious,—we on this side of the House are anxious—that the sooner the judicial service is removed from the arena of controversy on the floor of the Legislative Council the better will it be. But that day will not come so long as the first principles of justice and equity in the appointment of proper and suitable persons to that service is not recognized and fully carried out. I trust, Sir, that Government will be in a position to give us an assurance that they are satisfied that these principles will be carried out. I do not think I have the time to refer to some of the great projects which are now under construction costing crores of rupees. May I recall to the House what I said years back, when I drew the wrath of the then Law Member of the Government of Madras? Of the Hydro-Electric scheme 'the less said the better', were my words. Where is that Hydro-electric scheme gone to-day? How modified, how changed, how absolutely unrecognizable is the scheme which the present Law Member has in contemplation to that which in an unfortunate moment the very head of the administration of the province was asked to lay the foundation of? Of the Mettur project again I said it is bound to be an unproductive concern. The hon. the Leader of the House is now enjoying that unenviable legacy which has been handed down to him and it is becoming clear that like the animal that put its hand in the cocoanut and could not remove it owing to its closed palm being full of rice, the Government is in the uncomfortable position of having launched upon the scheme and not knowing how to retrace its steps. I trust the Government have learnt their lessons and will be warned in future not to be rushed into large schemes without accurate estimates and without sufficient consideration.

"I should like in conclusion to congratulate the hon. the Home Member on the fair and firm policy which he is pursuing in the preservation of all that is best and dignified in the province.

"Mr. President, one word more and I am done. I shall be failing in my duty if I do not congratulate the Government, particularly the Reserved Half on the excellent and frank memorandum they have submitted to the Royal Indian Statutory Commission. It may not please my friends to my right for more than one reason. The fact that such a memorandum has been submitted is the severest condemnation of the policy and practices of my Swarajist friends. They will of course deny and contradict the truth of the statement. But they know and feel in their heart of hearts that they have been ploughing the weary sands of a political sahara while others more courageous than they have done the silent work of advancing the political progress of the province. I shall not be surprised if they still justify their

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indefensible conduct. A man convinced quite against his will is of the same opinion still. The memorandum constitutes the greatest triumph of the policy and work of my late lamented leader the Raja Sahib of Panagal and I am certain that his spirit will hover and watch over and bless those who pursue his policy and adopt his methods. I need only assure this House and through it the country, that in the face of the tremendous vindication of the policy of honourable co-operation which has been evidenced during the past few days, those who claim to be Panagalites—a word halloed by the name of the greatest statesman of Madras—will follow that policy boldly and courageously till India attains Swaraj."

* Rao Sahib L. C. GURUSWAMI:—"Mr. President, Sir, I join with the chorus of congratulations showered upon the hon. the Finance Member for his able task of preparing the budget which is now under discussion before the House. I find in the budget increased allotment for expenditure on nation-building departments, such as, Education, Industries, etc., and for providing better facilities for irrigation, major and minor. I am glad to note that increased provision is made for extending the activities of the Labour Department for the betterment of the depressed classes. But I am not satisfied that adequate provision has been made for extending their work in all possible directions and in areas where they are called for most. The activities of the department should be extended not only to ryotwari district but also to zamin villages in the districts now under investigation by the department in the matter of the acquisition of house-sites, drinking-water wells, control of irrigation sources and for other economic and social amenities for the depressed classes both in zamin villages and ryotwari villages. For instance, I should like to know why the beneficial activities of the Labour Department have not till now been extended to Madurantakam taluk in the Chingleput district, where there were troubles very recently. The members of the depressed classes in Polambakkam and Nirambur in zamin villages and in Sandivakkam, a ryotwari village, have been subjected to a lot of troubles by the landowners in the matter of right of pathway to their cheries, provision of house-sites, etc. They were actually driven out of the cheries by coercion and autocracy of the landowners. In Ponneri taluk of the Chingleput district the members of the depressed classes have been put to similar difficulties and my appeal, on their behalf, at frequent intervals to the Labour Department for making provision for drinking-water wells house-sites, etc., has not met with success even after a lapse of 18 months. In many cases I have been an eye-witness to the sufferings of these poor classes of people. I am sorry to note that the provision made for scholarships and stipends were not utilized in full. That shows the indifference of the officers concerned who are dealing with the applications for scholarship and stipends; for it cannot be said that there was dearth of deserving applicants. I hope that the increased provision made in the next year's budget for the purpose will be fully utilized and not allowed to lapse.

"It is a pity that, year after year, the provision made for the construction of houses at Pulianthope for the Arundatiya refugees of the historic mill troubles of 1921, is allowed to lapse. The reasons given for this long delay of more than seven years are not convincing. I do not think it is impossible for the Government to get the land required as early as possible. From the letter, dated 20th May 1927, addressed to me by the District Labour Officer, Madras, it is understood that the land in question has already been ordered

by the Government of India to be sold. The aggrieved people are worrying me frequently and heaping their curses on me for not obtaining for them the houses promised to be built for them, though my file containing voluminous correspondence on the subject has become very bulky. I hope that the Government will expedite this matter and see that the provision made in the budget for this purpose does not lapse this year as in the past.

"Depressed classes people who go in for loans for house building through Co-operative societies are in a worse position now because of the high rate of interest charged for the loans. I hope that the Government will sympathetically consider this matter, see that a nominal rate is charged on the loans, and relieve the worries and difficulties of these people."

*Rao Bahadur C. S. RATHNASABHAPATHI MUDALIYAR:—"Mr. President, Sir, I desire to compliment the hon. the Finance Member on this year's, what is essentially, a surplus budget. The permanent remission of the Provincial Contribution, to obtain which the hon. the Finance Member put up such a strenuous and persistent fight successfully, is mostly responsible for this year's favourable budget. Though the budget is termed a deficit budget, it is really not so. If we take into account the opening balance of Rs. 485·04 lakhs, it cannot be said that the present is a deficit budget, and even if we leave the opening balance out of account, I am of opinion that the budget is a surplus one. A cursory glance at it will show that the receipts budgeted for are less than what can reasonably be expected to be realized; and the amount proposed to be expended under Civil Works is more than what can actually be spent in the year. Past experience also fully supports this view. The revenue from excise, though it is a matter to be much deplored, can reasonably be expected to bring in at least 25 per cent more than that shown in the budget. The sales held in my district and the neighbouring district of the Nilgiris have resulted in an increase of more than two lakhs of rupees over the current year's Excise revenue. In the other districts also corresponding increase in such revenue can be expected. I think therefore that the hon. Members can safely bombard the hon. Finance Member with requests for increased grants to local bodies and for nation-building departments.

"Now, Sir, I shall offer a few observations on some of the outstanding features of the budget of this year:

"The first thing that arrests my attention is the enormous sum proposed to be spent on office buildings and quarters for officers. I submit, Sir, that this provision is made on a very lavish scale. I submit our funds cannot admit of this huge sum being locked up in brick and mortar with the inevitable commitments for the future. I venture to suggest that the expenditure on this item should be cut down to the barest minimum possible and the amount retrenched should be made available for increased grants to local bodies.

12 noon. "In the second place I cannot help remarking, Sir, that in the matter of grants to local bodies for affording better Educational and Medical facilities, the budget discloses a step-motherly treatment. It has all along been acknowledged, Sir, that local bodies form the pillars on which the edifice of Self-Government must rest. To enable local bodies to truly function as such their financial position needs considerable strengthening and this can be done only with the aid of liberal grants from Government. I appeal therefore to the hon. the Finance Member to provide larger sums under this head.

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" I take this opportunity to bring prominently to the notice of Government the abnormal delay in investigating drainage and water-supply schemes, especially for urban areas and in preparing plans and estimates therefor. Even when the local bodies are prepared to meet the cost of such investigation and preparation of plans, etc., there is considerable delay in complying with their requests I am convinced that much of this delay is avoidable and is due to the 'red-tapism' pursued by the Department, especially the Finance Department which is the final arbiter in every matter, whether Reserved or Transferred, and which holds the key position in the whole Government. I sincerely trust that this matter will be looked into.

" Another matter to which I wish respectfully to invite attention is the distinction made in the matter of grants to local bodies and the differential treatment accorded to schools under private management and those run by local bodies in the distribution of grants. This grievance under which the local bodies labour, I publicly ventilate now in this house in the fervent hope that it would be redressed at least in the coming year.

" I find from the speech of the hon. the Finance Member that the inability of local bodies to utilize the grants accounted for the lapse of nearly 14 lakhs of rupees. May I venture to say, Sir, that these huge sums are allowed to lapse because of the necessary funds not having been given in time to local bodies to enable them to engage the necessary establishment and because of the condition imposed by Government that half the cost should be met by the local bodies from their funds. In some cases, Sir, the grants are sanctioned only at about the end of the year with the result that the local bodies are unable to complete the work before the end of the year and avoid the lapsing of the funds and, in other cases, grants are allowed to lapse as some local bodies are not able to meet their share of the cost.

" I suggest, Sir, that the present system of doles should give place to a system by which specific grants can be made available to local bodies every year at a time when they may be expected to see that such grants do not lapse As it is, the local bodies are not certain of getting doles and they are naturally handicapped in completing the works before the close of the year.

" I find, Sir, that adequate provision has not been made in the budget for rural medical relief, sanitation and communications. As has often been remarked, Sir, India is a country of villages and the amelioration of their condition should have the first claim on the revenues of the State. Their interests can no longer be neglected as has been done in the past. May I suggest, Sir, that the sum allowed to lapse from out of the grants made to local bodies in the year be made as suggested by the late Raja of Panagal last year the nucleus of a fund for the benefit of the rural population to which regular grants must be added from year to year. The fund should be ear-marked for rural re-construction and should not be diverted to any other purpose. I take this opportunity to press on the Government the necessity and urgency for constituting such a fund with the least practicable delay.

" The reduction of Court fees is a subject which my constituency has asked me to press before the house. I am personally aware that the raising of Court fees has impoverished many a man and prevented others from resorting to a Civil Court for redress of their just grievances. It was assured, Sir, by the previous Law Member that the question of the reduction

of Court fees would be looked into. Though more than two years have nearly gone by since the assurance was given on the floor of the House, nothing has yet been done in that direction except a small decrease in respect of suits filed on the Small Cause side of our Civil Courts. The relief afforded by such reduction is but a flea-bite. The real hardship still exists and I appeal to the present hon. the Law Member and the hon. the Finance Member to see if a reduction could not be made in the rate of Court fees now levied.

" With regard to the re-organization scheme outlined in the speech of the hon. the Finance Member, I wish to state that I am against the creation of highly paid posts in any department. The improvement of the pay and prospects of the non-gazetted officers is a hardy annual for which no satisfaction has yet been found. It is a question which requires sympathetic consideration at the hands of Government and I entreat the hon. the Revenue Member to give the matter the attention it deserves.

" The cost of living in some of the mofussil stations like Madura and Coimbatore has of recent years gone up by leaps and bounds, necessitating the grant of a compensatory allowance similar to the one given to officers employed in the city of Madras. The cost of living in these stations is in no way lower than that in Madras and it appears to me equitable that Government Officers employed in the former stations should be helped in the same way as those employed in Madras.

" With regard to the provision of 4 lakhs for temperance work, I thought there would not be any difference of opinion in congratulating the hon. Minister for Excise for getting this provision ; but I am surprised to find my hon. Friend Mr. Venkataramana Ayyangar to say that such propaganda will indirectly increase the drink evil. If as a result of such propaganda consumption of liquor will increase, may I ask the hon. Member, if he as a member of the Swarajist party is prepared to admit, that their propaganda carried on some years back for such purpose is responsible for increased drink at present. If he would admit it I shall be glad to join my friend in voting against this demand.

" Coming to the vexed question of the Cauvery-Mettur project, from the way in which it was ushered in, and the way in which it is being hastily pushed through, I consider it a sin to vote for any provision for this project, until a satisfactory solution is found to supply water to my district and the sister districts of Salem and Trichinopoly.

" I wish once again to congratulate the hon. the Finance Member on the satisfactory budget he has presented this year."

* Mr. S. N. DORAI RAJA :—" Mr. President, I congratulate Mr. Moir for the very real and comprehensive statement of our present financial conditions and our future commitments. A great war has started. No more patriotic or far-reaching work can be done by the Finance Member than to produce a well balanced budget. He has been a true guardian of our financial interests. He paid a compliment to the Finance Committee for giving him real help in framing the budget. I, as a member of the Finance Committee, have no hesitation in saying that we could have no better guide, philosopher and friend in putting us in the way of understanding intricate financial questions. He also took infinite trouble to bring home to our mind the conviction he has already formed on these subjects. Such solicitude is rarely found behind official waistcoats."

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"Last year, in my Budget Speech, I brought to the notice of the Government that the mass of statistics is bewildering even to an educated man, and also the necessity of interpreting to the masses in an understandable form the significant facts of governmental operations to quicken proper interest and also to vitalise our democracy. I am sorry I find nothing has been done in this matter and I think the time has come to attach a Publicity Department to the Government.

"The Public Works Department seems to attach in an increasing degree their interest in brick and mortar. For the sake of economy, I would suggest to the Government that till the present projects in hand are finished they should not allow other projects to be taken up.

"About the Mettur Project, I have got only a word to say. This project was brought into being only to benefit the upland parts of the Tanjore district. Water from this project is really more needed by Salem, Coimbatore and other places. I do not stand in the way of water being given to them; but if by doing so the interests of the Tanjore people are jeopardised, I would characterise such action on the part of the Government as a breach of trust.

"Compulsory Physical Training to our boys is a vital necessity in these days of democracy, and the conclusions arrived at by the Beasley Committee are not only interesting but very important. I am afraid they are shelved in one of the pigeon holes of the Educational Secretariat. I earnestly hope that they would be given effect to in the very near future. Waiting for some time is one thing and waiting for eternity is a different matter.

"I have got a word to say about the Kallar Reclamation. When my last resolution for the transfer of the Kallar Reclamation from the Police to the Revenue Department was, as a Government affair, carried out by an overwhelming majority, I naturally thought that Government in deference to the wishes of the majority of Legislative Council would move in the matter and do something in the way of my request. When I put a question to the hon. the Home Member as to what they had done about it, I was told 'Nothing can be done'. Therefore, I take it that it is a question of 'I cannot because I won't'.

"Let me bring the following few lines to the consideration of the hon. the Education Minister. Academic and ornamental type of education has been absolutely overdone, and commercial bias ought to be given to three grades of education, namely, elementary, secondary and collegiate. In these days of democracy and adult sufferage, it is very necessary that adult education should be properly looked into. It is a sad commentary upon the activities of the Education Department that they have done nothing so far about adult education. I, as a member of the Senate of the Madras University for the last $5\frac{1}{4}$ years thank the hon. the Minister for Education for the handsome way in which he has treated the University. I am not one of those that would cry over spilt milk. For even now I think that the abolition of the Council of Affiliation is a very sad blunder. I hope and trust that the Minister will see his way to institute a separate fund to safeguard the interests of the affiliating mufassal colleges.

"This is the last budget meeting of the Council, and I am afraid, Sir, this is also my last budget speech. I consider it a privilege to-day to offer my most sincere congratulations to His Excellency Lord Goschen and his

[Mr. S. N. Dorai Raja] [1st March 1929

Government for their magnificent gesture in presenting their memorandum to Sir John Simon about the granting of provincial autonomy complete without any reservation whatever. For any unsympathetic Government it is easy to say that we are not for complete provincial autonomy in consideration of the fact that there is Brahman Non-Brahman Hindu-Muslim question and the formidable Adi-Dravida question. They being the spokesmen they steered clear of all these things and the names of His Excellency and Sir Norman Marjoribanks and his colleagues will go down to posterity not only as very great statesmen but people of very great sympathy and political sagacity."

12-15 p.m. * Mr. P. J. Gnanavaram Pillai :—" Mr. President, Sir, I should express my gratitude to the Government for the increasing interest they are evincing towards the welfare of labour classes but I am disappointed to find that no provision is made in the budget for financing the institutions which are intended for the welfare of labour.

" One of the outstanding problems of labour in this country at present, is how to bring about an adequate supply of labour leaders. In addition to special educational courses provided for the benefit of the labourers as a whole, particular attention should be paid to the children of labourers who may be given special training in highly equipped schools to be liberally supported by manufacturing and industrial concerns as well as by the Government. At present efforts of this kind are being made on a smaller scale in some institutions such as Railway Apprentice School and the Madras Government Trades School. But what I feel very strongly about is that the time has come for a large step to be taken in the matter with a view to bring into existence well-trained labour leaders.

" Labour in this country is, to a stupendous degree, unorganized and in this matter I should confess, that India is not keeping abreast of developments all over the world. In cities like Bombay and Madras and in such large industries like the Railway, labour is organized to some extent but has unfortunately to find its leaders not from its own ranks. This outside help, as we all know, has yet been not without its value but carries also certain disadvantages with it. But if labour should become vocal, in the way in which labourers themselves would like it to be, greater attention, we shall all admit, will have to be paid to the question of organization of labour.

" With a fastly growing sense of the need to democratise the Government of the land, it is essential that labour, which after all represents much the larger section of the population, and which really is the backbone of the community and contributes enormously to the well-being of the community, should have its wishes recognized and respected by the people at large, and the people of this Presidency, as well as the country as a whole, should encourage the labour movement, so that it may take its legitimate place in the body politic.

" I do not propose to deal with the need for legislation to conserve the rights of labourers, and to take steps to bring about the amelioration of their condition. But at this moment, Sir, I wish to urge upon this hon. House the need for recognizing labour in any scheme of further democratising Government. I would, for example, suggest that labour through its own provincial organization in the case of a Province and the All-India Organization in the case of the country as a whole, should have adequate representation in every legislature. I plead for special representation

because in the existing condition of affairs in the land, it will be almost impossible for labour leaders to come by direct representation. As they cannot come from the general electorate, they should have their own special electorate through their own organizations recognized by statute.

"The presence of an adequate number of labour representatives in the legislature, I think, will be a constant incentive to right action in the matter; for, after all, in this mundane world, the presence of such representatives as elected member of this legislature will go along way to solve many of the outstanding problems with which we are confronted to-day.

"It is necessary, I think, that every legislature should have a standing committee for labour welfare. Though employers here and there may be taking steps to further the interests of labourers, we should not leave this matter merely to private initiative as I know it is the legitimate function of every democratic legislature to promote the welfare of the working classes; if not, through a Ministry of Labour at least by a standing committee of labour welfare I therefore most earnestly request the Government to afford greater encouragement to the institutions intended for the welfare of labour, to take early steps to help the formation of labour unions throughout the Presidency and also to appoint a labour advisory committee to foster and develop the labour interests of this province."

* K. SARABHA REDDI :—"Mr. President, Sir, after having heard expressions of congratulations in appreciation of the budget now under discussion, it pains me to feel impelled to say that the budget so far as my district—Kurnool—and its interests are concerned, is simply nothing but a dry bone containing not a particle of juice to attract the people of the district. I have reasons to believe that not only this budget but the budgets of previous years also could not have been favourable to the ryots of the district. Sir, very often I am tempted to ask the question 'Has the Government passed at any time an order directing the effacement of the District Kurnool from the map of the South Indian British dominion?' I know, Sir, if I should put this question, you will rule it out as one from a lunatic; but, Sir, I am sure you will be convinced of the sanity of my question if you should condescend to take the pains of visiting a few villages in my district and study the conditions prevailing therein. I am sure also that you will regret my not having asked the question earlier.

"Our lands are rich in fertility and our people are sturdy, strong and hardworking, our women also, when compared to women of several other districts, are strong and hardworking. God has endowed the district with all the natural resources essential for the welfare of the people. But in spite of all these, my district, as you know and all the world knows, is now the poorest and the most backward in the district. What is this irony of fate due to? I think it is due to nothing else than the persistent, systematic and woeful neglect of duty on the part of the Government. This will clearly be brought home to this House if I give a brief description of the activities of the various departments of administration in the district.

"*Irrigation department.*—Almost every village has in it a beautiful tank constructed in pre-British days. It was actually irrigating a few acres ranging from one hundred to one thousand and even more acres. Now it is in ruins and it has been so for several years. Why? Because it is on account

[Mr. K. Sarabha Reddi] [1st March 1929

of condemnable negligence of the authorities concerned which owing to apathy on the part of the Government could never be taken notice of. Recently the Government appointed an Irrigation Committee to investigate and report on some schemes. The committee did its duty; but nothing has come out of it.

"One small project called Thippayyapallem project the Government appeared to have taken up for execution. It apparently took it up but after having spent some thousands in collecting some materials it gave it up. Another project called Thokapally project had the same fate. The buildings constructed for the workmen and officers engaged in the execution of the projects have been abandoned and now they are standing there proclaiming to the visitors the folly of the Government. There is a tank called Varadarajamma tank in my village—Cumbum. It is known to be one of the biggest tanks in the Presidency. People in old days never knew it drying up except once in 20 or 30 years; but now for the last two or three decades it has been drying up almost every year. During normal years it yields to the Government an annual land revenue of about a lakh of rupees. The revenue has gone down owing to frequent necessity for granting remissions of land revenue owing to failure of crops due to scarcity of water. The tank is silted up to a depth of 14 feet and its capacity is very much reduced. It is feared that, if it is neglected by Government as it is now done, there may not be the tank there. Its fate is this. No body cares for it. The authorities concerned are safe in their easy chairs and they care a straw for the interests of the people who are every year migrating to other districts in search of labour and food or for the interests of the Government.

"If a hundredth of the amount sanctioned for the Mettur project which is needed to enrich the already rich, should be sanctioned for restoring the various small ruined tanks found spread over the whole district, our famines will disappear and our prosperity will be ensured.

"*Forest department.*—My district has forests in abundance. We are in the forest as it were but without permission to touch it in any way. Very often in this council the hardships, caused to poor ryot of the district in all possible ways by the evil policy of the Government that governs the administration of the Forest department and by the vagaries of the Forest officials were exhaustively discussed. At my instance a Forest Committee was appointed. It visited several places in the district and submitted its report. The effect is the grievances are what they were before the Committee was appointed. Even to-day reserve forest lines run through our cultivated land and even the backyards of our dwelling houses. For agricultural implements and timber for house constructions we have to depend upon tradesmen who import the same from distant districts like Godavari. Our cattle are dwindling in flesh and numbers."

"*Labour department.*—Even the ghost of this department is not seen in my district. Its activities are never extended to it though the depressed classes in numbers are not inferior to those in any other district.

"*Industries department.*—The district does not know what it is. The departmental authorities, if there are any, consider probably it is impossible for them to visit the district since there are no good roads for their motor cars to run.

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" *Excise department.*—We have to wait for twenty years and see whether there is after all going to be the oft-promised total abolition of drink.

" One lamentable defect in the administration of the department I wish to bring to the notice of the Government is this. Every year various local bodies are required to make their recommendations with regard to location of toddy and arrack shops. The local bodies do submit their recommendations ; but nothing come out of it. The recommendations are disregarded. This is an infliction of humiliation upon local bodies. The Government will do well to avert such unpleasant and unjustifiable inflictions in future."

* The hon. the PRESIDENT :—" The hon. Member has already exceeded the time limit."

* Mr. K. SARABHA REDDI :—" Sir, a line on the activities of Medical department. Medical aid in the district is awfully inadequate. There are vast and extensive areas which have not got any medical aid whatever.

" Local Boards in the district are awfully poor and are not having the provincial contributions they are entitled to in virtue of their backwardness in education, rural communications and water-supply. The result is the district is most backward in all these respects.

" There are villages where drinking water is scarce. There are villagers who are now using the most antiquated sledge like, wheel-less carts not knowing what roads are.

" I feel I have no time to go into the details of activities of the various departments. In one word I may say that I will not be far from wrong if I should say that, judging from the conditions prevailing in various villages in my district, it appears as if there is no government in the district."

* The hon. the PRESIDENT :—" The hon. Member is beginning to speak on another subject. I request the hon Member to take the opportunity to give cut motions on the remaining subjects in his list."

Mr. K. SARABHA REDDI :—" Then, Sir, I resume my seat."

* Mr. T. M. NARAYANASWAMI PILLAI :—" Mr. President, Sir, I have to say a word or two about the general position of the Budget. I am not inclined to be unduly optimistic about our future. We have for the year 1929–30 to take 36 lakhs for our expenditure from an opening balance. From the current state of our revenues we cannot provide for our future expenditure on the same scale as we have been doing for the last so many years ; and so I think we have to turn our attention to schemes which will increase our revenue ; or we must effect some re-adjustment in our financial relations. So far as our revenue items are concerned these items have reached their maximum level. If you look at the figures you will see that the figure from 1920 onwards is practically the same and so I do not think we will be justified in expecting a rise in our revenue. Hence I say if we are to provide for increased expenditure we shall have to look for an adjustment of the financial relations which will secure for us items of growing revenues. Next I am referring to the Kattalai scheme. I feel it will be a sin on my part if I do not mention about it. (Laughter.) I do not know why hon. Members should laugh ; I feel it will be better if they shed tears. (Cries of Oh ! from the Swarajists.) Sir, if I have been referring to it time and again it is because I feel it is of great importance to the ryots of my district. In 1924

12-30 p.m.

[Mr. T. M. Narayanaswami Pillai] [1st March 1929

the scheme was promulgated by His Excellency the Governor, and the South Bank canal alone became an accomplished fact. The other parts of the scheme are left hanging. The South Bank canal, it is well known, cannot function without a bed regulator; and last year nine lakhs were allotted for it in the budget. But, strange to say, in this year's budget no provision is made for it. There is a provision of one lakh made for the scheme in general. I do not know why the Government have gone back on the last year's allotment of nine lakhs. The bed regulator would prove beneficial to us as well as to the Government.

"Sir, in this connection I wish to say one word about the policy of Government. Whenever a scheme is suggested Government always view it from the point of increase of revenue, or return for the sum invested. They ignore the fact that there is an obligation on their part to give every facility to the ryots from whom they take revenue every year. I can understand it if they say this in cases of fresh schemes, as the Tungabhadra scheme. (Cries of Oh! from the Swarajist Bench.) But to apply this principle to cases where the work is in the nature of repairs, where the ryots have all the facilities for cultivation, this policy of insisting upon a kind of productive return is open to grave objections. Sir, I think, Government hardly realize the difficulties of the ryots. The policy of judging prosperity by remissions is fallacious. Even if there is two-anna crop, revenue is collected and there is no remission. Now, the Kattalai scheme is not a new venture; it is only a substitute for the old koramba system, which will guarantee a better system of water-supply, and also remove the recurring annual expenditure. Therefore, I think, I am justified in saying that the grant of nine lakhs should be made this year also to the bed regulator. Of course, I think the other aspects of the scheme will be carried out.

"Sir, irrigation is an important subject for a country like ours. Last year provision was made in the budget for the shifting of the head to the Thottian Chinna vaikal; but there is nothing for it in this year's budget. The hon. the Finance Minister has visited that place and studied the problem on the spot and I hope he will be convinced of the reasonableness and necessity and the justification for shifting the head of the channel a few miles above the present one. Sir, if you look into the past records relating to this channel, you will see that the head of this channel was exactly in the same place, where we say we now want it. Therefore backed up by the experience of the past I say, we want to shift its head to a place near Ayalur, three miles distant from its present head.

"Sir, I am really surprised to find the hon. Member for Coimbatore pooh-poohing the grant of four lakhs under excise for launching a programme of propagonda against prohibition. Sir, yesterday we were treated to a scathing condemnation of the excise policy of Government by Swami Sahajanandam. In fact there is no difference between us all as to the goal to be reached. Time after time this Government have said that 'we ought to move towards a policy of prohibition, if it were possible for the Government to do so.' The only difference was with regard to the method. Now I ask if the wholesale closing of all the shops will achieve the object of the prohibitionists even though it may cause loss of revenue to Government. (Swarajists: What is your proposal?) My proposal is identical with that of the Government. (Laughter.) The proposal has been made by the grant of four lakhs for carrying out the policy of prohibition."

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*Mr. T. ADINARAYANA CHETTIYAR :—" Mr. President, Sir, to the hon. the Finance Member I can neither offer congratulations nor feel commisseration. A man who hopes to keep his head above water only for the immediate three years and that too provided they are normal years, does not deserve any congratulations. Sir, I was surprised when the hon the Finance Member said Government have a definite policy. The most important departments of Governmental activity are land revenue and settlement, irrigation, excise and forest; and no definite policy is visible, not even in the distant horizon as regards these. I do not think Government will ever introduce a proper Land Revenue or an acceptable Irrigation Bill. But, as other speakers have stressed on these items, I do not wish to repeat the arguments, but I wish to bring to the notice of Government a few grievances of my district. Sir, the irrigation sources in the North Arcot district are in a very deplorable condition of disrepair—I mean the minor irrigation works. There is no settled policy or programme with regard to it; at least we are not aware of it. I need not add how important minor irrigation works are to a poor district like North Arcot. In this connexion it will be profitable to note what is done in the neighbouring State of Mysore. In that province in a recent year as many as 300 works were repaired.

"As regards the forest policy my Friends, Mr. Sarabha Reddi and Mr. Daniel Thomas, have dealt with them very thoroughly; and I do not wish to deal with them at any length. But I must say this; that the policy of Government seems to be to give the maximum of inconvenience to those living beside the forests without even an iota of benefit. In my own district people suffer acutely from the want of facilities for green manure, and even though a Government Order was issued recommending some relief in the case of North Arcot ryots as regards the amount of seigniorage charged, that Government Order remains a dead letter to this day.

"My Friend, Mr. Venkataramana Ayyangar, said that the Chenat Nair scheme is in danger; and I am surprised that, in spite of the remarks of the Public Accounts Committee that met in Ootacamund last summer, no action has been taken to review the work turned out by these 'special' officers as Exploitation Officers, Logging Engineers, etc., and to see whether their continued employment is necessary.

"As regards Excise, I wonder whether any civilized Government would be proud to boast of additional income from that tainted source. Sir, if there is any honesty in the professions of the Government that total prohibition will be an accomplished fact in the next twenty years, is it not time for them to make an earnest attempt to introduce it at least in two or three districts? For it is over two years since this House adopted that resolution. If they feel that the loss of money incurred by that source cannot be otherwise made up, let them form a special reserve for it this year and add to it every year. Further, I find from the memorandum submitted to the Simon Commission by the Madras Government the Government contemplate that prohibition will be in the near future a live topic if not an accomplished fact. Then, Sir, it is said that illicit distillation will be largely practised and to prevent that an army, nay a net work, of highly paid Excise officials with high sounding designations will be required. I submit, Sir, that the history and past experience of other countries will not bear out that apprehension.

[Mr. T. Adinarayana Chettiyar] [1st March 1929

12-45 p.m. "Luckily for us, Mr. Pussyfoot Johnson is here and from talks with him I learn that a total preventive Excise staff of 2,000 is well able to effectively prevent this illicit distillation in a vast continent like the United States of America. Therefore that bogey of the large army the entertainment of which would be beyond the capacity of the finances of this province being needed to put down illicit distillation will not hold good. Moreover, that argument brushes aside, very conveniently no doubt, the more cogent argument, namely, that the whole nation will be a sort of help to the Government in bringing about total prohibition. Take, for instance, the women population of this province, 21 millions of whom all are against drink, and why should you think they are so callous about their husbands' drinking that they will not come and help you? Not only the women but the children who are now famished for want of milk will also come to your help. Not only they but also the philanthropic associations like the temperance organizations and the churches will all come to the help of the Government by preventing this illicit distillation as it has been done in America. Again, there is the great nationalist organization, the Indian National Congress, which will place its well-trained army of young men at your service, and they will gladly help you. Of course, some years back when we tried picketting, you conveniently locked them up in jails on indefinite and often false charges. But if really you are sincere about this business, I say you should utilize the services of this army of young men whose lives are now being wasted very often inside the jails. I want also the Government to remember that if they get a revenue of five crores and odd from this drink evil, they must take into account the quantity of drink that is consumed, which is another name for national wealth destroyed, not only national wealth but also national morality; and this may be safely calculated at six times the excise revenue, that would be over 30 crores.

"Sir, I also want to refer to the subject of non-reduction of taxation. Now, taking Stamps and Court-fees which affect the poor ryots in our province, it is somewhat disconcerting to find that no attempt has been made to reduce them. The introduction of the reforms some years back placed the Madras Province in a very advantageous position by the Meston award. This position the other provinces were envying. No doubt, there was then the provincial contribution, but the total withdrawal of the provincial contribution from the year 1927-28 places this province in a very uniquely advantageous position placing an additional six crores spending power over the pre-reform period. I would ask our Ministry what they have done with this specially advantageous position which they had got. We ask like this, Sir, because sometimes they forget that they are elected representatives. Therefore I take the liberty of asking them once more whether the day of reckoning is not going to come, perhaps sooner than they wished, when they will have to face the electorate and tell them 'we had such unique advantages and yet such and such is the sad tale of our achievements.' Sir, in spite of those advantages, can they point out to the electors whether there is one tangible advantage to the ryots whom they say they represent. The growth of expenditure on the other hand has been appalling. It is the top-heavy administration once again which accounts for this.

"But, Sir, a belated attempt is being made to start a Services Commission, but a Services Commission without an understandable policy

and without rules being framed in advance cannot be of any great good except perhaps becoming an instrument for the exercise of communal patronage. But as regards the non-gazetted services and the village officers, I do not find anything in the heavy volume of budget estimates to cheer up these long-suffering people.

" As regards the Police, I want to draw the attention of the hon. Member in charge who always raises the plea of want of notice for every question asked of him in this Council and who was so very exuberant in publicly congratulating the Commissioner of Police the other day to this. Although we on this side may have no objection to an increased allotment under the head ' Police ', we hope that that allotment will filter down to the Indian subordinates and not stop with the European sergeants.

" Sir, as regards criminal justice, I am afraid things are coming to an almost . . ."

* The hon. the PRESIDENT :—" The hon. Member will have to take the opportunity allowed for the voting of grants to exhaust the list of his subjects."

* Mr. T. ADINARAYANA CHETTIYAR :—" I am finishing, Sir. The magistrates are very often not only corrupt, because they have been promoted from the clerical ranks and that too not always for reasons of merit, but they are so very plastic in the hands of the Police that the administration of justice has become a thorough misnomer. They are so ready to issue prohibitory orders under section 144 and notices under section 108 the moment the Police ask for the same. The hon. the Law Member seems to be always pleased with everything because he does not feel the pinch of these sufferings of the poor and even though his late Friend Mr. Narayana Menon is still rotting in the penitentiary and half the Mappillas are still undergoing miseries and privations, he is still going on comfortably."

* Rao Bahadur S. ELLAPPA CHETTIYAR :—" Mr. President, I have no idea of criticising the details of the budget, but I am at a loss to know why no provision whatever has been made for improving the lot of the poor people of the country who are not able to earn even a single meal a day, although revenues to the extent of 18 crores have been collected, and nearly as much has been allotted for expenditure on the services and on brick and mortar. No doubt, I see a small percentage of income is spent on such useful purposes, namely, education, medical relief, roads, etc. In spite of normal conditions being restored, nothing has been attempted by the Government to reduce taxation which comes so heavily on the heads of the people, or to reduce the stamp duties or registration fees which were enhanced in the previous years when the budgets were closed in deficit. The ways and wisdom of the Government cannot be comprehended when I see that the present buildings that are occupied by the armed reserve police in Salem are to be given up and a large amount is provided in the budget for the construction of new buildings in some other place. I do not know what the reason is for this change of place at a cost of more than two lakhs of rupees. May I ask the hon. the Minister for Development what useful purpose is served or is going to be served by maintaining a big cattle farm at Hosur at a heavy cost. Does it benefit the ryots or the officers in charge of it ?"

[Mr. S. Ellappa Chettiyar] [1st March 1929

"I see in the detailed civil works budget there is an allotment of Rs. 15,100 provided in the revised estimates and Rs. 4,000 provided in the budget estimate for 1929-30 for the improvement of this farm. In my humble opinion this sort of expenditure is a mere waste of money. Instead of wasting public money in these ways, it will be better if the hard-earned money of the people is spent on the much-needed irrigation facilities in districts like Salem and that money spent on irrigation will be remunerative also. Wherever I turn my eyes in my district I see people are crying for water both for drinking and for irrigation. Unfortunately Salem district had not sufficient rains for the last eight years. One can imagine what will be the state of affairs in that district. Though crores of rupees have been spent on the Mettur project to irrigate one taluk in the Tanjore district where already such facilities exist, and though the water is collected in the Salem district and taken from the Salem district where no such facilities exist, the miserable people of the Salem district have been denied the benefit of having water for irrigation from this project. But, after repeated requests made on the floor of this House, the hon. the Revenue Member who is now in charge of irrigation has been pleased to issue a Government Order to the effect that investigation will be made as regards the feasibility of taking water to the Salem district from the Mettur reservoir; and he has also been pleased to issue an order to stop the work at the tail-end portion of the scheme until the investigation is over. One more item of irrigation projects in my district which is long pending is the Thoppiar project in Omalur taluk. It has been under investigation for the last so many years, but it has not been finished. I hope the Government will take prompt steps to finish the investigation and put up definite proposals for the sanction of the project. In conclusion I want to impress upon the minds of hon. Members of the Government that the Salem district is more in need of water for drinking and for irrigation than any other district. So I request that the Government will do the needful without any further delay in the matter."

* Mr. D. NARAYANA RAJU :—"Mr. President, Sir, I have no congratulations to offer to the hon. the Finance Member. In his budget speech he only recapitulates some of those financial provisions which are explained in greater detail and more clearly in the budget memorandum. Merely to give a resume of the budget memorandum does not require the services of the expert Finance Member of the Government of Madras. Any school-boy can do it. If one goes through the budget memorandum and then reads through his speech, I think one will agree with me that the speech of the hon. the Finance Member is no better than a school boy's performance. One searches in vain in his speech for any satisfactory explanation in justification of the outstanding features of the budget presented this year. In my opinion there are two outstanding features of the budget. One is with regard to the balances, the accumulation of balance and the proposed utilization of the same. There are revenue surpluses year after year. What does it mean? The hon. the Finance Member takes pride on the fact that there are handsome balances with the bankers. But to my mind it is not a matter on which one should feel proud or on which the Government should feel proud. It is a matter of which the Government should feel ashamed, because in one view the surplus revenues mean squeezing of the tax-payer for more than what is really required for carrying on the administration. It is against the canons of modern government and modern taxation that Government should tax more than what is really

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required for its administration. These revenue surpluses are all the more tragic when we see that the administration itself is carried on on a lavish and extravagant scale, and yet these surpluses are being piled up with the bankers. More than one hon. Member of the House has referred to the top-heavy nature of the administration and also to the colossal sums that are being spent year after year on brick and mortar. When we look at the Government buildings one is tempted to think that these specimens of brick and mortar are not at all in keeping with the low economic condition of the province. It seems to me that these buildings and other civil works are designed more to impress the people with the might of the British Raj in India. (Hear, hear.) They do not seem to have been intended to serve the bare needs of the Government. Now, in spite of all this extravagant expense of the administration, these balances go on accumulating. We can realize the evil of large balances with the bankers when we remember what took place at the time of the Meston award. On account of the huge balances on its hands at that time, this province had to go through a sad experience. Now, how does the Finance Department propose to utilize these accumulated balances? In the budget I find that the Finance Department is resorting to certain devices to keep down the surplus balance as low as possible. Some items of expenditure are brought on to Revenue account which ought to go to the Capital account."

At this stage the House adjourned for lunch.

After Lunch (3 p.m.)

* Mr. D. NARAYANA RAJU :—" I am referring to the way in which certain items of expenditure are brought on to the Revenue account. For instance, in the case of the commuted value of pensions, in the revised budget for the year 1928-29, an amount of Rs. 6·72 lakhs is shown under 45 (*a*) which is in the Revenue account. In the original budget for the year 1928-29 it was shown under 60(*b*) which was outside the Revenue account. At the time of the revised budget it was taken from 60 (*b*) and entered under 45 (*a*) just to keep down the revenue surplus of that year. If this commuted value of pensions has been distributed over a period of fifteen years in annual equated instalments and one such instalment has been brought on for this year under 45 (*a*), then there would have been some justification for it, but not to bring on the whole expenditure of 6·72 lakhs under 45 (*a*) from 60 (*b*). Similarly, certain capital expenditure on Irrigation Projects—productive works—is being met from revenues with effect from 1929-30. So also some advances which ought to have been met from capital expenditure are being met from balances. In this way, items of expenditure which ought to have been met from capital funds or loan funds are being met from revenues simply to keep down revenue surpluses. I ask the hon. the Finance Member whether it is not the principle underlying this capital expenditure that the burden of expenditure which ought to be borne by a number of generations or by the tax-payers for a number of years ought to go to the capital head and not to the Revenue account; and when these items are brought on from the capital heads into the Revenue account whether he is not giving the go-by to that principle.

" My suggestion, if the hon. the Finance Member is in sympathy with the natural aspirations of the people of this country, is that he ought not to

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have put down the surplus as he has done, but ought to have taken advantage of this opportunity and transferred all these balances to a sinking fund against excise revenue. This House is committed to the prohibition policy and we are bound to wipe off this excise revenue in a number of years. Whenever that question is raised, the problem of finances is being trotted out. Therefore, if all these surpluses are constituted into a sinking fund against wiping off the excise revenue, that would be much better. The amount of nearly two crores is being utilized for the repayment of debt. Now what is this debt proposed to be repaid? It is the outstanding balances of loans taken in the years 1926–27 to 1928–29. The interest on these loans is only 5 per cent. But if you go to the previous years, and to the loans taken for similar purposes from the Government of India, the rate of interest ranges from 5·75 to 6·50 per cent. Why are loans bearing a higher rate of interest not going to be wiped off? This is not explained anywhere.

"In the Finance Member's speech, it is said that there is a saving of 21·62 lakhs by this procedure; but really it is only 2·12 lakhs and not 21·62 lakhs as suggested. Because even if we deposit these balances with the Government of India, they will give us an interest at the rate of 4 per cent, and it is only 1 per cent interest gained by wiping off the debt instead of keeping the balances in deposit. For deposits for not less than twelve months they are bound to give interest only 1 per cent less than what they charge on advances from Provincial Loans Fund. In 1929–30, if the rate of interest on the provincial loans is 5 per cent, then we will get 4 per cent; but there is a likelihood of the Government of India raising their rate of interest to 6 per cent, in keeping with the higher rate of interest in the present market, and in that case even on our deposits we may get 5 per cent interest. Really speaking, there is no advantage at all in wiping off this debt which carried 5 per cent interest after all.

"Another outstanding feature revealed by this budget is the growth of expenditure at a very much higher rate than the growth of revenue. Graph 1 of the Budget Memorandum illustrates how the expenditure of this province has been going on relatively at a higher rate than the growth of revenue. The hon. the Finance Member has not referred to it. The graph illustrating the expenditure is running at a very much steeper angle than the graph illustrating the normal growth of revenue. The factors which go to make this expenditure go up at the same angle were not referred to by the hon. the Finance Member; for instance, the time-scale of pay which has been sanctioned by this Government and then the normal growth of establishments, etc. All these go to make our expenditure go on at the same higher rate. The hon. the Finance Member has not taken any thought at all of the future years. He wants merely to get on for these one or two years; somehow or other he wants to get on so long as he remains in office. When he lays down his office, he is going Home on a handsome pension. This is the evil of having foreigners as the head of the Finance Department who are out of sympathy with the aspirations of the people of the country."

* Mr. MAHMUD SCHAMNAD SAHIB :—" Before I congratulate the hon. the Finance Member (voices of 'Why'), I must say he is an expert in the art of casting budget. He can present a deficit budget as a surplus budget and a surplus budget as a deficit budget. Even my Friends, Mr. Satyamurti and Mr. Venkataramana Ayyangar, will not be able to find out if he were to conceal

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under his sleeves crores of rupees. But from the lucidity, from the clearness and frankness with which he has presented this year's budget, we have reason to feel that it is a very satisfactory budget. Everything in it is transparent. He can very well conclude his budget with the remark: 'Let me admit that, in so far as it rests with a Finance Member to promote or provide for administrative developments, I have been fortunate to an extent which was denied to my predecessors.' He deserves this well-earned satisfaction. We owe to him our strong financial position. He can look back with pride upon his labours in the Assembly and I know from my own personal knowledge as his Colleague in the Assembly how he worked day and night, inside and outside the Assembly, to secure the total remission of this iniquitous impost and succeeded against the combined opposition and conspiracy of Bengal and some other provinces. It is gratifying to learn from the budget that this year we have a net balance of 430 lakhs and odd; but when we are told that the estimated expenditure is more than the normal revenue by 36 lakhs and odd and this would be met from the opening balance of 485 lakhs, I feel nervous to think whether we will have such lapses every year, and those sinning departments and engineers will be allowed to have their own way in future also. I am not an expert in these matters. I however couldn't follow the hon. Member's explanation regarding this. I can say from the working of the district board in my district that much delay takes place in the preparation of plans and estimates and also in the execution of the actual work; and it is up to the Government to take serious notice of such things. I do not also know whether it is a good policy to draw upon our revenue balances to meet our requirements under capital. This year seems to be a very prosperous year on the whole (cries of 'Oh'), but although provisions are made for several useful schemes, I do not see any provision made to protect against the erosion of the Padne Bar which has caused terrible devastations and havoc. Several memorials have been sent up to Government. I hope that something will be done very soon in that direction. Then again, I do not see sufficient provision for Mappilla education. Government do not seem to consider this question seriously. The hon. Chief Minister ought to have put up proposals for the same in time. Do the Government think that they can trifle with Mappilla education for ever? It is admitted that the Mappillas are generally very poor and they are beset with several difficulties; they are harassed by agrarian troubles, by the special police and by their own pinching poverty.

"When things become intolerable, they rebel. What else can you expect an ignorant and fanatic people to do? Now what is the remedy the Government is adopting? They do not want to find out the real cause. As soon as these people show symptoms of discontent the Government at once apply Martial Law or put into operation the Mappilla Outrages Act killing all people, destroying their houses and otherwise striking terror and trying to destroy them altogether if possible. Is this what a civilized Government ought to do? Sir, for some time now, law and order and also education have been in the hands of Indians and yet things are not any the better (Laughter.) If you want to improve the condition of Mappillas (Dr. B. S. Mallayya: 'Go to Andamans') you should give them liberal education. Any number of elementary schools with provision for one or two classes will not improve matters. The least that ought to be done is to start higher elementary schools in every Mappilla centre and six or seven high schools in convenient taluk headquarters and the improvement of the

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indigenous Arabic Madrassa. Of course I do not think that separate schools for Mappillas are necessary if provision is made for religious education in schools. This is indeed a national problem. It is high time that these are looked into. Enlist them in large numbers in the police. Encourage the few educated Mappillas by giving them suitable posts in Government services.

"I wish to say, next, a few words about the Malabar prisoners. Several times, even last year during this time, the Government were pleased to say that within a year they will all be released. But so far nothing seems to have been done. The Government are moving in an unintelligible fashion. As I pointed out some time ago, even old men and women who are not even capable of raising a broomstick are kept in distant corners of the Presidency. I know of one old woman (laughter) in Mangalore (Mr. Karant: Hear, hear) 78 years old of whom our Government is afraid. I hope this state of affairs will not be allowed to continue any longer."

* Sriman Biswanath Das Mahasayo:—"Mr. President, Sir, this is the third and the last year of the life of this Council when we have to deal with the Budget. It is therefore desirable to take stock of all that has been done during the last three years before we place our cards before the electorate and stand the test again.

"Sir, before entering into a review of the financial position as seen from the Budget presented to us, I would thank the hon. the Finance Member and through him the Secretary and the staff for the Plates furnished by them to enable us to get some idea of the growth of our finances as also the growth of our expenditure. Apart from that, I do not find anything in the budget that would evoke a sympathetic criticism from me or from hon. Members on this or from any side of the House.

"Sir, our departed chief, the late lamented Mr. Das, started the Swarajya Party and wanted to show to the world that diarchy is unworkable. Those that followed his lead had to suffer persecutions and repression from the Government. And to-day, what is the position? Not only the ex-Ministers and Ministers who gave evidence before the Reforms Enquiry Committee in 1925 stated that diarchy is unworkable, but also the Government of Madras to-day have proclaimed that diarchy is unworkable. (Mr. Sami Venkatachalam Chetty: Hear, hear) Sir, I think we have justified our position—though the bureaucracy can never justify their repression. We stand justified before the electorate and before the country to-day. And, if my hon. Friends, the Ministers, have undertaken to work the most arduous task of working the unworkable system, I think it is for them to go before the electorate and show how far they have fared.

"Sir, paragraph 4 of the Instrument of Instructions calls upon the Ministers to represent to the Government the wishes of the people. For my part I fail to see the effect of all that the Ministers have done to represent to Government the wishes of the people. I do not know, nor do I desire to peep into the secret chambers to see what representations our Ministers have made to the Government regarding the wishes of the people. But even if they have done anything, the net result or the sum total of it is nothing. To-day, I will be pardoned if I say that we have lost all faith in that sentence in the Declaration of August 1917 which speaks of the increasing association of Indians in the administration. Indianization is nothing by itself unless it is accompanied by a change of heart and outlook and that

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such officials are responsible to us. Among the seven hon. Gentlemen who adorn the Treasury Bench, I find no difference except in their complexion. The Civil Servant is no worse than these hon. Members who are presumed to be either half responsible or completely responsible.

"Sir, let me on this occasion thank the hon. Sir Norman for having taken the step of constituting an Economic Enquiry Committee thereby cutting out a new path for the bureaucracy. I think it will serve as a very good and illustrious example for my hon. Friends who are either responsible or half responsible or in practice quite irresponsible to the electorate who will sit in judgment on them shortly. (Mr. P. Anjaneyulu: Hear, hear.) This being the situation, I will proceed to the budget. (Laughter). I will be very sorry if I am interrupted, because I have not more than ten minutes.

"This being the position I now come to review the financial position. The budget, as it is presented to this hon. House, reveals an attitude of care-notism or ignorance. We cannot attribute ignorance to an hon. Gentleman who adorns the place of Finance Member. Further I know that he is too wise and shrewd to be ignorant of the rudimentary principles of taxation or budgeting. But I would with all humility approach him to let me know the canons on which the budget is framed. From the memorandum so kindly supplied to us, I find that in 1928-29 the opening balance is about four crores and the closing balance about $5\frac{1}{2}$ crores. This year after providing for all the services possible he finds a balance of $4\frac{1}{2}$ crores or so to repay debts to the extent of 2 crores. That being the position I would beg of my hon. Friend to tell me the canons on which the budget has been framed—a budget which refuses to remit not a single pie of taxation levied in 1922, in a year of stress and necessity in accordance with the wishes of the majority of the popular representatives. Sir, I would refer my hon. Friend to that memorable document, the report of the Finance Committee with the hon. the Finance Member as chairman submitted to this hon. House on 1st November 1927, wherein the committee proposed to remit the registration fees at once and promised that they would go on with the examination of the possibility of reducing court fees and stamp duties in due course. I would ask my hon. Friend the Finance Member and the hon. the Law Member, who himself as Member of the Opposition, as also his predecessor in office has time and again given us promises that they would go on with the remissions the moment the finances adjusted themselves to a normal course. Why have they not done anything in that direction? I must frankly express, Sir, that the hon. Gentlemen who form the Cabinet of this Government have put the Members of the Council in a very false position. I do not know for myself how to interpret the financial canons to the electorate who are our ultimate masters. In times of necessity, we agreed to increased taxation by explaining to the electorate the extreme necessity for it. But now, even when you are in affluent circumstances so as not able to spend all money, what explanation on earth can we give for not giving them the remission so much required for them? I find that the mind of the bureaucracy is let in in one or two sentences in the Finance Member's memorandum. There he says: 'Once a tax is remitted you cannot have it restored again.' That seems to be the policy followed by this Government in refusing to remit taxation. Sir, so long as that policy continues, I think we will be justified in opposing any kind of taxation hereafter and this Government cannot and will not and shall not accuse us of want of co-operation or sympathy with their action.

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That being so, I cannot join in the chorus of thanks showered on my hon. Friend the Finance Member by some members of this House who find nothing but admiration for him. I thought that he would attempt to undo the past actions done in utter defiance of the decision of the legislature as expressed ever and anon by means of budget motions and resolutions, etc. He has refused to remit taxation, going upon his past promises even when the revenues are sound and when we have got huge balances. I ask him whether he could face a legislature in any of the dominions or even in a crown colony with a budget such as this. He has given us a very sad imitation of the British theory of taxation and British canons of budget preparation.

"Well, Sir, as I have already stated, the duty of the Ministry under diarchy is to represent the wishes of the people to the Government. We have several times urged on the Government the need for putting on legislative basis the land revenue system and there has been a very strong popular opinion on this question. May I ask the hon. the Ministers whether they have done anything in the matter to force the hands of the Government as representatives of this House in the Cabinet and responsible to this House? They have failed and sadly failed to force the hands of the Government to bring forward a Land Revenue Bill. On the other hand, they have added feathers to their cap in agreeing to the certification of the Malabar Tenancy Bill which was the only measure which could have done something to the unfortunate people of Malabar. Sir, in matters of tenancy legislation, neither the Government nor the parties that support this Ministry have done anything worth mentioning. Take the case of the Estates Land Act amendment Bill. In this case, as also in every other case, the Ministers have miserably failed and the parties supporting such a Ministry have done nothing to justify their position before the electorate.

"Sir, I am coming to a close and will finish if one more minute is given me. The separation of the Judiciary from the Executive has been thrown to the wind and the hand of the bureaucracy to-day is stronger and more irresponsible and ruthless than what it was before the Reforms. Public life is more unsafe and repression more intense.

"Time and again attempts are made to put the machinery in motion for a linguistic division of provinces.

8-30 p.m. "But what have the Government done? And yet the Government are praised for having proposed provincial autonomy to the Simon Commission. I find very little has been done, and I for one would not have accepted any proposal if it was not backed by any real authority in the province. How could you enforce responsibility even among the Ministers or Members of the Legislative Council for the people if you did not transact your business in vernacular? That has been eliminated and that has been objected to. I think the method adopted by Government is practically suggesting one thing and cutting the whole thing from behind.

"Have I somemore time, Sir. (Laughter.)

"I am sorry I have exceeded the time limit. I feel that the Ministry has done nothing to deserve the support of hon. Members of this House. The Justice Party which adorns the benches below the gangway has done nothing to justify their position and we will go to the electors and make a clean breast of the whole affair."

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Rao Bahadur B. MUNISWAMI NAYUDU :—" While I join in the chorus of congratulations on the hon. the Finance Member's speech for the lucidity and clearness with which he has prepared his budget, I should say that from the point of view of the ryots it is very disappointing.

" So far as the budget items are concerned, we start with a receipt of 15·87 crores in 1920–21. You will find that we have budgeted for 1929–30 for Rs. 18 crores, so that we have an increase of more than 2 crores in the receipt side. With regard to expenditure, in 1920–21, excluding the provincial contribution to the Government of India, our expenditure was $11\frac{3}{4}$ crores, in 1927–28 our expenditure was $15\frac{1}{2}$ crores, in 1928–29, 17 crores and 1929-30, we have budgeted for 18·21 crores. So that, we find we have been rising from 11 crores to 18 crores in the matter of expenditure. We have increased in the matter of income to 2 crores. Taking the expenditure for the year 1928–29, it cannot be said that year has been one of normal expenditure, of course giving credit to the various grants that had been made to the various departments. While I congratulate the hon. the Finance Member for having sanctioned every proposal that came up before him, these poor villages did not get any share. We have still keeping in our hands some 2 crores of rupees and we do not know how to spend it. Every department that came up before the Finance Committee got its proposal sanctioned, but these poor villages, so far as improvement of wells, roads and their sanitation are concerned, got nothing. This year we have budgeted for only 7 lakhs of rupees. Well, this provision of 7 lakhs of rupees was budgeted at a time when we could not pay them more. Hence is it to be continued even now ? I ask whether that is the way in which the Government should treat the local boards. If it is not possible to spend all the amount that has been allotted to a local board in a particular year, then you give its own share and have it ear-marked in rich years to be spent at their convenience. Ever since the remission of the provincial contribution, we have been promised that more funds would be allotted for improvement of village sanitation, etc., but nothing has been done all these years although every other department, with whatever proposal it came forward, had its share. I have heard certain cries that the district boards would be abolished. Nothing definite has been known about this. We only find that department after department comes forward for some grant or other and the Finance Member is willing to sanction it. I ask the hon. the Minister concerned whether he has voted on items concerning the improvement of villages that came up before him and if he says 'I have voted on this, but the Finance Department has vetoed down the proposal,' then I submit it is high time that you give up the administration of local bodies altogether and ask the Finance Department to administer the affairs themselves.

" We have got several items in the budget such as the improvement of science class in the Presidency College, the improvement of the buildings of the office of the Director of Public Instruction, and so on and so forth. We expect the hon. the Minister for Local Self-Government or his Secretary to come forward and say whether any proposals put forward by them had been vetoed by the Government and, if they say so, we are here to strengthen their hands by voting for such items as would conduce to the benefit of the villagers. Looked at from that standpoint, I say the budget is very disappointing. We had our taxation on court fees raised in 1923–24. Ever since the remission of provincial contribution we have been told that the

question of reducing the duty on court-fee stamp would be gone into. I ask the hon. the Law Member whether he took any step in this direction. I do not think any genuine attempt has been made. If he does not take up this question seriously I feel certain and I do hope that the hon. the Leader of the House will take up this question and also assure us that it would be seriously considered.

"Sir, these are the two things I know of. This budget is very disappointing and if my hon. Friends sitting on the other side would only assure us that they are sincere for doing everything in their power to ameliorate the condition of the villagers, and do all that they can, they will earn the lasting gratitude of the villagers. However exulted we might be for the lucid presentation of this budget, I think there is not sufficient material in it that would cheer us and make us give our willing consent to it."

* Mr. P. ANJANEYULU :—"Now, what is the general financial position of the year under consideration, to use the words of the hon. the Finance Member? The revenue for the year is 1,807·9 lakhs. Our expenditure against the revenue account is 1,843·23 lakhs or an excess over revenue of Rs. 36·14 lakhs. That is the position of the year under consideration. In other words the Government have not been able to cut their coat according to the cloth. During the past seven years our expenditure has risen on an average at one crore every year. For the same period every year our revenue rose to one-fourth crore on an average. In other words we are put to a minus balance of three-fourths crore of rupees every year. We know when the cost of management is more than the return in any enterprise, it necessarily reduces the future productivity of the country and such low returns ultimately lead to Mr. Bodham's court, a phrase signifying the Insolvent court. As far as the clarity and frankness with which the budget has been presented are concerned, I am one with those who have extended their congratulations to the hon. the Finance Member, though both the above qualities have ample room to improve upon in many matters.

"Now, Sir, why is it that we get practically minus balances in spite of remission from the Central Government? The reason is not far to seek. It is owing to the costliness of the top-heavy administration. In an enterprise if we have to draw upon the capital invested, we know sooner or later we shall have to wind up that enterprise. Even with regard to that huge human enterprise called the provincial governance of this province the same thing is happening. It is a well recognized principle of public finance that the State expenditure is justified only when it increases the national efficiency. In this case the hon. the Ministers are not at all able to carry out any policy at all. The hon. the Finance Member has told us that on account of the reorganization of the Police department, the Agriculture department and the Co-operative Societies department they are going to invest a few lakhs of rupees. So far as the reorganization of the Police department is concerned, I would simply say, apart from the necessity of organizing it in the City of Madras for traffic purposes alone, any further increase in the police will only add to the miseries of the people. We have already enough of the rank and file of the police in the mufassal which in the name of law and order are the very culprits in breaking it. Instead of the police, if we go back to the old village system of having our own police who are paid from small contributions by the ryots in the shape of grains, who used to be responsible for any crime in the village, that would be a far better system than trying to reorganize police ranks.

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"As far as the Agriculture department is concerned for which lots of funds are said to have been allotted, it remains to be seen how they will be used in the working of the department. So it is too premature to say anything about it at this moment. So far as the Co-operative department is concerned, the only items for which provision is made are for supervision and for a few more posts. Is that a policy, I would ask in all humility? We have had too much of supervision, of over-supervision. We have got too much of framing of rules and regulations. But in the practical field where the hard labourer is working, no sort of provision is made for him. Mere supervision alone is useless unless it gives increased national efficiency and contributes to the maximum social good. Again where is the policy involved in it? By policy one understands that a certain objective is in view which can be achieved during the course of some years and for which a definite provision is made year after year till that objective is achieved. Neither the hon. Ministers nor the Finance Member have ever given us any hint that there is a policy of that nature, which ensures national efficiency. 3-45 p.m.

"I would join my hon. Friend, Mr. Muniswami Nayudu, in putting my humble, but earnest voice in pleading for the cause of rural reconstruction, of village life. It is the villager, it is the tiller of the soil, it is the labourer of the field that contributes most to the revenues in the form of land tax to the Government and unto him is returned nothing. Year after year either by resolutions, by token cuts or otherwise his cause is pleaded mostly from the Opposition Benches, though sometimes even our friends of the Justice Party join us. Till now no provision is made for the so-called rural reconstruction of which even the Government seem to talk so much.

"As far as the local boards are concerned, Sir, some little money is sometimes given at the fag end of the year either in October or November for the sinking of wells in villages at a time and season when the construction of wells cannot be undertaken with the result that, by the end of March, the whole grant lapses. The hon. the Finance Member says afterwards that local bodies have not been able to utilize the grants given to them. I would therefore ask the departments concerned that due provision be given in time so that the money granted may be fully utilized and not allowed to lapse.

"As far as communications and bridges are concerned, it is only the man, who seems to talk loudest, gets something. Herein lies the accusation of the Opposition that the Government have really no policy but are on a policy of drift. In these circumstances I would ask the hon. the Finance Member to say whether his budget is one which has really contributed to the advancement of the national prosperity. His budget only reveals the great and absorbing power of the services of all the revenues that are available."

* Mr. A. Parasurama Rao Pantulu :—"Mr. President, Sir, it has been the practice, so far as I have been able to observe, for hon. Members of the Council to begin with congratulating the hon. the Finance Member. Certainly I shall follow that practice but in a different way altogether. I congratulate the hon. the Finance Member when I say that he gave us a budget with a deficit and that deficit has been covered up by drawing upon the balance of last year. Then again he has been consistent in his statement in so far as the action of his predecessors are concerned. They have been showing a budget which always showed an increase in expenditure, an increase

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particularly in the top services. The present Finance Member also has been consistent so far as that position is concerned. I shall congratulate him on that score also. Then again he has been consistent in his statement that promises made by the Government need not be kept up and he has exhibited it definitely by showing that, even when large amounts of money were available and when this House had actually committed itself to the particular proposition of remitting some taxes, he has taken care not to give effect to that suggestion and avoided all responsibility. For this also I shall congratulate him.

"I shall congratulate him for the fact which my hon. Friend referred to, viz., that he has forgotten entirely the Ceded districts. I represent a portion of those districts. I was all along under the impression when I went through the budget that, when His Exalted Highness the Nizam had come here, the Government had ceded back these districts and lost all responsibility in the matter. But fortunately for me I found one item which refers to one of the towns of the Ceded districts, Proddatur which is given some allotment for improvement of water-supply. Then I thought that Ceded districts are in the memory of the hon. the Finance Member. Apart from the services, so far as the villagers and the people are concerned, whether he has done anything for the Ceded districts I fail to understand by a perusal of this voluminous book which is placed in my hands.

"The fundamental and the foremost duty of every Government is to spend as much as possible for primary education as well as for irrigation. The amounts spent on these objects are, I think, not wasted but invested with the people and it will really be of productive value. On the other hand I find that a very small amount is allotted for these purposes if you take into consideration the population and the extent of illiteracy that is prevailing in our country.

"Then again I find that a large amount has been allotted for building purposes, and most of it for buildings to be occupied by Government servants. I wish to point out one particular instance from which the House may know the mind of the hon. the Finance Member. A building is sought to be erected at a cost of Rs. 10,000 or Rs. 12,000 for a Deputy Registrar of Co-operative Societies at Coimbatore. Anybody in this House will bear me out when I say that at Coimbatore there is no paucity of buildings. It is possible for anybody to get a house there for a lower or higher rent for the Deputy Registrar of Co-operative Societies. I do not know whether there should have been so much solicitude shown to him by providing him with a building at such a high cost when other services are starving actually. I gave this only as a typical example. There are other instances to which I have no time to refer.

"Then again the excise policy which this Government should follow has been enunciated by this Council by the resolution it has passed. On account of this humble self that resolution was brought forward and passed by the Council when some of the hon. Ministers were on this side of the House and co-operated with him. The resolution states that we should reach the goal of total prohibition within a period of 20 years. We have practically come to the end of this Council and we have cried hoarse over it in season and out of season at question time and other times ; yet it has not moved even one nerve of the hon. Minister. He has been considering this question ; this question

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has been agitating his mind ; I do not know when he will be able to come to a conclusion, probably after the lifetime of this Council when I do not know whether he will be there and I will be here. He has been promising that some definite plan would be adopted. I should ask him to remember the words of Cowper in ' On the receipt of my Mother's picture.' Dupe of to-morrow even from my child. Write on the walls ' Prohibition within 20 years.' It will be every 20 years and never decreasing. This is what the hon. the Minister has done. I expected that the greatest sympathy of the hon. Minister would be shown at least in this respect. This is only criminal money, money got from the vice of the people. Under these circumstances one ought to be foremost and be up and doing to see that this vice is wiped out. I fail to understand why there should have been so much delay. Apart from the sympathy shown or not shown by the hon. the Finance Member, hon. Minister must have the courage to say that, unless something is done in this matter and some steps taken to attain the goal of total prohibition, I shall not be here and I shall not justify myself in continuing here. If he had taken up that stand, I would be the first to say that he was the Minister who would represent our wishes. I do not attribute anything personally to the hon. the Minister. Inasmuch as he is the Minister we have to say that all the excise revenue he gets is money wrung out from the very blood of the people. That is the money that he has been depending upon. If he has any self-respect in him I shall accost him and say that he must be up and doing at least now. Before the lifetime of this Council he must do something for reaching the goal. Otherwise he will not justify his existence there or deserve one pie of the salary which he receives from the exchequer and which is wrung out from the people. All I say is that people themselves want prohibition. Memorials have been submitted by people in my district as well as probably from Nellore also. Experiments may be tried in these two districts at least. To attain complete prohibition, there is no good of doing anything half way, prohibiting only toddy, prohibiting only foreign liquor. This is shilly-shallying. If the hon. the Minister will prohibit all kinds of drinks completely, I am sure he will succeed. The majority of people also will sympathize with him, because it is only a very small percentage of people that are addicted to drinking. Once there is total prohibition and it is made impossible to get drunk, people would get rid of this evil habit. I want to impress upon the hon. the Minister the fact that, if a man who is addicted to drink is sent to jail for six months, he gives up drinking. When he comes out of the jail and joins his old gang, he again takes to drinking. During those six months he is able to get on without drinking. What does my hon. Friend say to this instance ? When that is possible, it is possible, with a strong hand, to put down drinking at least in some districts. Let him take sufficient money, say, Rs. 4 lakhs or 8 lakhs because there is surplus now. If he appoints sufficient men to put down drinking, I am sure that he will succeed. There is no difficulty at all in the matter if he has a mind. There is no good of asking for Rs. 4 lakhs, of distributing it among so many bodies and of flittering away the money. I am told that local boards are asking for this money so that it may be put into the hands of anybody with absolutely no responsibility. It is not possible to expect anything good by so doing. If he is sincere about reaching the goal of prohibition, the only way in which he can do it is to put down all kinds of drinking with a high hand. There is no other way.

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"Then again with regard to Law, we know that there has been much increase in expenditure. So far as the disposal of cases is concerned, there has been great delay.

4 p.m. "There was recently a Civil Justice Committee which had made recommendations. What are those recommendations for? If they had been given effect to actually, well, could it be possible to say that these delays could not have been avoided as far as possible. How far has it been done, and what is the effect of giving effect to these resolutions? All these things must be looked into. There is no good of merely saying, 'Increase the number of Courts, because there is delay and accumulation of arrears.' That is not how we should tackle the whole thing. Such a budget will not satisfy the people. There is no use of increasing the expenditure and at the same time saying to the people 'Well, the expenditure has increased and there is no possibility of doing anything.' If the gentlemen on the Treasury Benches are really sincere in their views I should certainly ask everyone of them to receive a thousand rupees or a little more every month and remit the remainder or at least a percentage of their salary for the benefit of the many debits. If they can do this, I can very well understand their sincerity. But there is no use of their saying 'We want our salaries. Give us our pay'.

"I also desire to ask the hon. gentlemen on the Treasury Benches that if I had used strong language, it is not for the purpose of wounding their feelings, but because I feel so much about what I have said. I want them to kindly excuse the strong language I have used."

Mr. K. V. Krishnaswami Nayakar spoke in Tamil as follows:—" *அக்கிராசனரவர்களே, கனம்* Finance *மெம்பருடைய பட்ஜெட்டைப்பற்றி சிலர் புகழ்ந்தும் சிலர் இகழ்ந்தும் இந்த சபையில் பேசி இருக்கிறார்கள். ஏழைக் குடியானவர்களின் பிரதிநிதியாகிய நான் என் ஜில்லாவிலுள்ள ஏழை மக்கள் சார்பாக சில வார்த்தைகள் சொல்ல விரும்புகின்றேன். நம் கவர்ன்மெண்டார் ஏழை மக்களின் நன்மைக்காகவே தாங்கள் துரைத்தனம் செய்வதைப் பன்முறை, சொல்லுகிறபோதிலும் உண்மையில் கிராமங்களிலுள்ள பொது ஜனங்கள் இந்த கவர்ன்மெண்டால் ஒரு பயனுமடையவில்லை என்று நான் தெரிவித்துக்கொள்ளுகிறேன். கிராமங்களுக்கு வேண்டிய சௌகரியங்கள் ஒன்றும் சரிவர நடைபெறவில்லை. நம் வரிப் பணமோ வரவர அதிகமாகிறது. கவர்ன்மெண்ட் செலவும் ஜாஸ்தியாகிறது. ஆனால் நாங்கள் அடையக்கூடிய பலன் ஒன்றுமில்லை. இம்மாதிரி நடத்தும் கவர்ன்மெண்ட் நல்ல ஆட்சியாவென்று சிந்தித்துப் பாருங்கள். ஆகையால்தான் நாங்கள் சுய ஆட்சி வேண்டுகிறோம். இந்த பட்ஜெட்டைப் பார்த்தால், ஏராளமான பணம் கட்டடத்தில் செலவிடப்படுகிறது என்று தெரியவரும். இதில் கொஞ்சங் குறைத்து கிராம நிர்மாணவேலையில் செலவிடப்பட வேண்டுமென்று தெரிவித்துக்கொள்ளுகிறேன். செங்கல்பட்டு ஜில்லாவில் அநேக கிராமங்களில் குடிக்க ஜலவசதியின்றி ஜனங்கள் அவஸ்தைப்படுகிறார்கள். அநேக கிராமங்களில் பாதையின்றி ஜனங்கள் கஷ்டப்படுகிறார்கள். ஆஸ்பத்திரிகளோ, மிகக் குறைவாய் இருக்கின்றன. ஆயுர்வேத வயித்தியம் கிராம ஜனங்களுக்கு பொருத்தமாயும் செலவு குறைவாக இருக்கிறபோதிலும் கவர்ன்மெண்டார் ஆயுர்வேத ஆஸ்பத்திரிகளை பஞ்சாயத்துடன் வைப்பதில் ஆட்சேபிப்பதாய் தெரிகிறது.*

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மேலும், கிராம பஞ்சாயத்து அபிவிர்த்தி விஷயத்தில் தாலூக்கா, ஜில்லா போர்டுகள் போதுமான சிரத்தை எடுத்துக்கொள்வதில்லை. ரெஜிஸ்ட்ரார்-ஜெனரல் ஒரு இந்தியராய் இருக்கவேண்டிய அவசியத்தைப்பற்றி நான் அதிகம் சொல்லவேண்டியதில்லை. பஞ்சாயத்துகளைப்பற்றியும் ஸ்தல ஸ்தாபனங்களைப்பற்றியும் இப்பொழுது இருக்கும் சட்டங்களை சீர்திருத்தி ஒரு மசோதா கொண்டுவருவதாய் கனம் முக்கிய மந்திரி சொல்லிக்கொண்டுவருகிறாரே ஒழிய எப்பொழுது சட்டம் செய்வாரென்று தெரியவில்லை. எங்கள் செங்கல்பட்டு ஜில்லா போர்டு ஆட்சியைப்பற்றியும் தலைவரின் அநீதிகளைப்பற்றியும் அக்ரமங்களைப்பற்றியும் பன்முறை கவர்ன்மெண்டுக்கு தெரிவித்திருந்தும் இதுவரையில் ஒன்றும் செய்யவில்லை. காஞ்சீபுரத்திலிருந்து பேரம்பாக்கம் போகும் ரஸ்தாவை சுமார் எட்டுவருஷகாலமாய் மண் வேலைமாத்திரம் சில பாகங்களில் செய்யப்பட்டு அதற்கு கிரவல் சப்ளை ஒன்றும் இதுகாறும் செய்யவில்லை. அவருக்கு இம்மாதிரி செய்வதால் வண்டி செல்வதற்கு மிகுந்த தடையாய் இருக்கிறது. 1926-27-ம் வருஷத்தில் டோல்கேட்டுகள் சுமார் 1,52,000 ரூபாய்க்கு எலம் விடப்பட்டது. அப்போது பஸ்கள் கிடையாது. 1928-29-ம் வருஷத்தில் சுமார் 1,32,000 ரூபாய்க்கு எலம் விடப்பட்டது. இப்போது செங்கல்பட்டு ஜில்லாவில் 92 பஸ்கள் லைசென்ஸு கொடுக்கப்பட்டன. இதனால் சுமார் 1,80,000 ரூபாய் கவர்ன்மெண்டுக்கு நஷ்டமேற்படுகிறது. அதை கவர்ன்மெண்டார் கவனிப்பதே இல்லை. அக்ராசனரவர்களே, பட்ஜெட்டைப் பார்த்தால் மதுபான மூலமாய் கவர்ன்மெண்ட் அடையும் வருமானம் 5 கோடி 53 லக்ஷம் என்று காணப்படுகிறது. ஏழை மக்களை குடிக்கவிட்டு அதனால் 5 கோடி 53 லக்ஷம் ரூபாய் கவர்ன்மெண்டார் பெருவதாய் இருந்தால், இந்த கவர்ன்மெண்ட் யாருடைய நன்மைக்காக வென்று நான் கனம் Finance மெம்பரையும் கனம் மது இலாக்கா மந்திரியையும் கேட்கிறேன். இந்த மது விலக்கு விஷயமாய் கவர்ன்மெண்டார் உடனே யோசனை செய்து வேண்டிய நடவடிக்கைகள் எடுத்துக்கொள்ளவேண்டுமென்று நான் தெரிவித்துக்கொள்ளுகிறேன். என் ஜில்லாவிலுள்ள கள்ளு, சாராயக் கடைகளை இவ்வருஷமே குறைக்கவேண்டுமென்று நான் கனம் மந்திரிக்கு தெரிவித்துக்கொள்ளுகிறேன். காட்டிலாகா சட்டங்களால் கிராமங்களிலுள்ள ஜனங்கள் அதிக கஷ்டப்படுகிறார்கள். கிராமங்களிலுள்ளவர்கள் விவசாயிகள்; அவர்கள் வீடுகளின் பக்கத்திலேயே காடுகளிருப்பதால் அடிக்கடி அவர்கள் மாடுகள் வெளியே போவதால் அபராதம் கொடுக்கவேண்டியவர்களாகிறார்கள். இது விஷயமாய் இந்த சபையிலேயே பன்முறை பேசி இருக்கிறார்கள். வீடுகளுக்கு, கொஞ்சதூரம் வரையில் காட்டிலாக்கா சட்டத்தை அமுலுக்கு கொண்டுவரக்கூடாது என்று நான் தெரிவித்துக்கொள்ளுகிறேன். குடிமராமத்து விஷயங்களில் விவசாயிகளுடைய பழய சுதந்திரங்களையும் வழக்கங்களையும் யொட்டி கவர்ன்மெண்டார் நடக்கவேண்டும். எங்கள் ஜில்லாவிலுள்ள நீர்ப்பாசன வசதிகள் விஷயமாய் கவர்ன்மெண்டார் போதுமான அக்கரை எடுத்துக்கொள்வதில்லை. கஞ்சி தாலூக்காவைச் சேர்ந்த கோவிந்தவாடி என்னும் கிராமத்தில், கசக்கால் கால்வாயை திருத்தாததாலும் மழையின்மையாலும் ஜனங்களுக்கும் பயிரிடுவதற்கும் தண்ணீரில்லாமல் மிகவும் கஷ்டப்படுகிறார்கள். இதை கவர்ன்மெண்டார் கவனிப்பதில்லை. ஷை கால்வாயை திருத்துவதால் ஏழை ஜனங்கள் பிழைப்பதுடன் கவர்ன்மெண்டுக்கும் லாபமுண்டு.

[Mr. K. V. Krishnaswami Nayakar] [1st March 1929

" தவிர, நம் கிராமங்களில் நம்பர் குறைவு சாகுபடி என்று சபையோர்கள் கேள்விப்பட்டிருக்கலாம். அதாவது, ஒரு நம்பரில் ஐந்து ஏகரிருந்து, ஜலக் குறைவால் ஒரு ஏக்கர் மாத்திரம் சாகுபடி செய்திருந்தபோதிலும், இப்பொழுதிருக்கும் சட்டப்படி, கவர்ன்மெண்டார், ஐந்து ஏக்கருக்குமுள்ள தீர்வையை வசூலிக்கிறார்கள். இது அநீதி என்று நான் சொல்லாமலே சபையோருக்கு விளங்கும். இந்த அநீதியை நிவர்த்திக்க கவர்ன்மெண்டார் சட்டத்தை மாற்றவேண்டும்.

" முடிவாக, கவர்ன்மெண்டார் கிராம ஜனங்களின் குறைகளை கவனிக்காவிட்டாலும் சபையோர் இவைகளை கவனித்து நடக்கவேண்டுமென்று கேட்டுக்கொள்ளுகிறேன்."

4-15 p.m. *Mr. K. R. Karant:—" Mr President, Sir, the hon. the Finance Member towards the end of his speech was pleased to say the following words: 'May I also pay my tribute to the Members of the Finance Committee who most zealously discharged the duties entrusted to them by this Council'. As one in the Finance Committee, I do not know whether to accept this tribute or not, because several of the main cuts which were made during the Finance Committee meetings in the course of five days have been quietly restored without any sort of explanation, even here in his long speech ('hear, hear' from Congress Benches). I will mention what they are. They cover in all nearly eight lakhs of rupees, which could have gone to various other items. First of all, the buildings for the Malabar special police. It will be a total expenditure of Rs. 8,30,000 and for this year Rs. 50,000 have been set apart. Next the revision of the pay of sergeants in the mufassals. That was dropped in the Finance Committee and this will come to a recurring expenditure of Rs. 48,810 per year or nearly half a lakh. Then comes the re-organization of the Agricultural department with Rs. 1,17,000 odd and for the present year three-fourths of a lakh. Then propaganda for Excise 4,00,000. Of course we will go into the details at a later stage, but I must say that as a Member of the Finance Committee I honestly felt that that was going to be a criminal waste of money. If they had given money for the prevention of malaria or for village communications or for any other similar object, it would have been a much better expenditure of public funds than to give four lakhs for temperance. I shall mention only one point which was mentioned in the note of the Finance Committee. This object is going to be achieved by staging a drama in English and we are going to have prohibition after seeing all these things. Then there were also other items, so that the total items that were cut off come to nearly eight lakhs and all these have been quietly and unceremoniously introduced in the budget. Then again, there is one point which I wish to bring to the notice of the Council and that is the revision of the salaries of the various departments piece-meal. I objected to this from the very beginning when the Finance Committee met, but it was voted down. I am sorry to say that this does not find mention in the proceedings of that Committee. What I object to is this: Only last year we passed a unanimous resolution for raising the salary of the low-paid subordinates of the Government and at the same time to reduce the salaries of higher officers, but the Government have not cared to accede to the request. At the same time we find that if we go through the Budget, several proposals for revision of the departments are quietly going on which are not suited to the whole. Hon. Members are aware that the Salaries Committee went through the whole question and all the departments

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were examined and certain decisions were arrived at. Though we may not be satisfied with that it is proper that when raising the salaries there should be no distinction, and that one department after another department should not take undue advantage. I wish to mention only certain items in regard to this. The re-organization of the City Police costs 1½ lakhs: revision of the pay of police sergeants in the mufassal half-a-lakh recurring for a year; revision of the pay of the Subordinate Educational Service, Rs. 67,000 and odd; for the creation of additional posts in the Madras Educational Service Rs. 37,000 and so on; there are various other items. I think it is hardly fair to the services as a whole that department after department should take advantage and then have their schemes passed through.

"Then, Sir, I shall come to the needs of the rural parts. Of course one makes a speech in this House for the first time as a new Member with great hopes that his speech is going to bring in the millennium. Unfortunately, I have been here for the last two years, and I know that nothing will come out of all these speeches. I find there are certain urgent needs of the village parts which are not at all attended to by this Budget. Now, so far as re-organization of the Agricultural department is concerned, it will cost about three-fourths of a lakh this year and ultimately it will cost five lakhs recurring in ten years and 8½ lakhs non-recurring, but all these is for the superior services and nothing for the services at the bottom. It is only for certain ratios according to the number of agricultural demonstrators and the number of assistant directors of agriculture To keep up the ratio of one to eight or one to sixteen we have to incur more and more expenditure. If we go out and find out what are the needs, I think the first thing we find is the question of malaria Whether it is the case in other places, at any rate, in my district that is so and very little has been done in this direction. Then again the question of the death of cattle. From the report for 1927-28, we find that nearly 76,200 heads of cattle have died. That is the highest on record since 19 0, and yet what have the Government done to increase the Veterinary services in the villages? None whatever.

"Then again, there is great indebtedness and great poverty prevailing in the villages and also there is a lot of starvation in the villages. I might place some facts and figures before hon. Members. I personally conducted an economic enquiry in a village in my district during last Christmas. In that village there were 146 homesteads with a total population of 726 people. The total debt in that village was Rs. 33,700. It is a very accurate figure, because I have done it myself going from house to house in the course of seven days and the debts have been incurred in three years, eight years and ten years without any hope of ever repaying these debts. Out of 146 families as many as 66 are starving for three to six months in the year. I think if we hold a similar enquiry in any other village similar results will follow. Now, I ask what has been done in this budget to put an end to this state of affairs? None whatever. I think if we had our own way, the whole budget ought to be scrapped and a thorough revision of all the items made. I do not wish to take more time of this House because there is the later stage when we can go into details."

* Mr. M. NARAYANA RAO:—"Mr. President, Sir, the budget that is presented is very disappointing to me inasmuch as it does not contribute even a single pie to the industrial development of the country. We find that no new industries are attempted to be taken up by Government and some of

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the old industries also have been abandoned. I am one of those who think that the economic condition of the country will be bettered by taking up the industrial development of the country. We see that no proposal is put forward for the starting of any new industries by Government. Every day of our life we have to depend for our necessities of life on some foreign country. Even for food for our children, we have to import Mellins Food, Horlicks, etc., to this country. I am told that a brilliant Indian chemist has carried on experiments to find out a suitable substitute for Horlicks and Mellins Food which has been approved by Government and also tried in some hospitals and I understand that it is a good substitute. But on account of the lack of support by Government it has been dropped. After all it is merely extracting food-stuffs from maize and corn. I think Government should take some interest to see that this presidency becomes self-contained in a short time and that the industrial development of the country is not hampered by their failure. For instance, there are very good resources around Rajahmundry for starting a match factory. Match has now become an absolute necessity of our life and so Government, I think, ought to help match industry and also cement and other industries.

"Coming to the question of the Carnatic Paper Mills, over which we had discussions a number of times in this House, perhaps hon. Members will remember very well that I undertook to get subscriptions required to pay off the Government debt and I also asked the help of Government for some time. Government gave me only two months time. Although I said that I should be given not less than two or three months time, the Government thought it fit that I should be given only two months time for collecting funds for such a big concern, which had no very good credentials before it during the past. But any how, having laboured very hard I got the necessary money and was prepared even to deposit two lakhs within the stipulated time and told the Government that the balance would be paid in another two months. The Government almost condescended to grant my request, but up to this time I see that the mill is not handed over to me and some new difficulties are being put in the way. Mr. Natarajan is again coming forward as an obstacle in the way. People who subscribed the money are anxious to see that the mill works as early as possible. I may say that to-day I have received a letter stating that people who have deposited money have been coming to my office at Rajahmundry and making very eager enquiries as to what became of the mill. It is already one month since I am ready with the money and the Government have neither taken the money from me nor given the reply in the affirmative. So, the Government seem to be still wavering about the matter and have not come to any definite decision regarding the matter. I therefore, request the Government to come to a definite understanding very early. Although there may be some kind of technical difficulties, if the Government have a mind and care for the interests of the share-holders I think, they ought to restore the concern to the share-holders again. If the Government make up their mind, I do not think there will be any practical difficulty or legal difficulty; and much depends on the Government to make up their mind and give the concern to us. In regard to the communiqué, the Government say that no State-aid would be given to this industry. Somehow or other this Government want to strangle this industry which is one of the most important industries, and which is essential for our daily life. Supposing in a few months this industry promises to be encouraging and gives us dividends, I would ask why not the Government come forward with State-aid to help

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this industry which is still in its infancy and which has got all the necessary advantages given to it by the Tariff Board. And which is also a very promising industry.

"I hope Government will alter its mind when they see that the concern works well; and give the necessary support as in duty bound; I hope the Government will take up some more new industries and contribute to the industrial development of the country. 4–30 p.m.

"Another point I wish to emphasise is the agricultural development of the country. I must say that the poor ryot has not been benefited even to a little extent by the expenditure incurred by the Agricultural department. We have got demonstrators and Government experimental farms and we see that the ryot is not at all benefited. I would suggest this to Government,—let them take small plots of land and put them in charge of these demonstrators and let them show to the people that more produce can be made to yield by adopting efficient methods, and by cultivating on scientific methods. Then, Sir, the poor ryot has to pay tolls on his produce and on the manures which he imports from outside, the former when he seeks for a good market for his produce and the latter when he brings to his farm manures that will increase the yield. I think the time is come when the ryot should be exempted from these tolls. I would also suggest that co-operative societies should be started by Government on a huge scale for marketing the produce of the ryots. This step will add to the profit of the ryot, though it may diminish the profits of the middle men. I also suggest that central land mortgage banks should be started and that money should be lent to them at a lower rate of interest; and that these banks should be extended as far as possible. I would appeal that the condition of the ryot should be bettered and everything possible should be done in that direction by all the departments concerned. Agriculture and industry are almost my hobby, and are the twin professions that are most essential to better the economic condition of the people and ultimately solve the vexed problem of unemployment."

Mr. C. N. MUTHURANGA MUDALIYAR:—"Mr. President, Sir, the presentation of the annual budget, a speech by the hon. the Finance Member and the general discussion that follows, prefaced by congratulations to the hon. the Finance Member have become rather mechanical and conventional in these days. The Government do not seem to pay any heed to the representations made by the hon. Members of this House representing as they do their electorate. We have only a show of representative Government and under this peculiar machinery of Government called by the name of Diarchy, which has been severely condemned time and again by even the sponsors of that system, the benefits we enjoy under that system are increased taxation and a top-heavy increased expenditure.

"Mr. President, Sir, we in the Opposition have been crying hoarse for radical reform in the Excise policy, for the early attainment of the goal of prohibition. Resolutions have been passed on the floor of this House and in conferences that the attainment of that goal should be within twenty years. Nine years have passed since the reformed Council has met and the so-called responsible Ministers have been functioning and yet we are where we were before we passed these resolutions. Year after year we see the Excise revenue increasing by lakhs. Government have been fighting shy

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of this reform. The revised budget estimate for the last year shows that there is an increase of revenue by 33 lakhs, and the estimate for the current year shows only a decrease of about three lakhs, but when the revised estimates for this year comes to be presented it will show another increase of 30 or 35 lakhs. No attempt has been made by Government to seriously tackle this problem. The proposal of the hon. Minister for Excise to do temperance propaganda in contravention of the correct decision of the Finance Committee is, I am constrained to say, only an eye-wash to evade effective temperance reform. Sir, I may here state that the Congress under the lead of Mahatma Gandhi has been doing effective propaganda work for prohibition even at the risk of courting imprisonment; and yet we have not gone any the nearer towards the goal of prohibition. I would further say that no good would come out of this proposed expenditure for propaganda, nay, I fear that this sort of health propaganda with toddy and arrack shops wide open is simply ridiculous (hear, hear) and the machinery for propaganda will only be misused for election purposes as the staff intended for rural upliftment is now being misused for taluk and district board elections. I would rather agree with Mr. Davis for utilizing this sum in introducing the experiment in one or two districts, say, even in the Nilgiris. I therefore hope that hon. Members of this House will vote down this proposal and take steps to compel Government to march towards the goal of prohibition.

"Taking next the question of local boards administration, the less said the better. The hon. the Chief Minister has been promising to reform the local boards and municipal institutions ever since he assumed office, but he does not seem to have done anything. In his public utterances we have seen him proclaiming that he will abolish these nominations at an early date; but such an opportunity has not till now arrived, and I am afraid it will not come during the life-time of this Council. Again, the hon. the Chief Minister has been promising to bring about reforms in the Hindu Religious Endowments Act, but nothing has been done so far, even though it has already been prepared in the Secretariat; and we are seeing nominations to temple committees being made in district after district, though election has been conducted in Tinnevelly alone. And Sir, no reforms have yet been carried out in the temples even though it is more than four years since the Act was heralded by the party responsible for it.

"Coming now to another topic I want the House to imagine the miserable lot of the poor villagers suffering from the inadequacy of water supply, communication and medical aid. I will also refer to the neglect of Government in improving the irrigational facilities in this Presidency. Of course, I am not unaware of the great Mettur Project and the minor improvements carried out by the hon. the Revenue Member in the Red Hills tank in my own district. But the work done by Government in an agricultural country like ours is nothing when compared with what has been done by our rulers that reigned this country before the advent of the British.

"Coming to my own district the people there suffer very much from want of irrigational facilities. In reply to an interpellation last year I was informed that there are no tank restoration societies in the Chingleput district. I do not know whether the same state of affairs continues to-day.

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The Arni river scheme and the Adyar river scheme have been devised long ago but were abandoned as being unprofitable. The Tungabhadra scheme which is calculated to benefit half a dozen districts has not yet been tackled seriously. I appeal to this House to seriously tackle these questions.

"I will conclude, Sir, by pointing out that no reforms could be effected under this diarchic system, a system which has been condemned by all sides of this House including the Treasury Benches. I would appeal to all to join together in wresting Swaraj from unwilling hands, which alone will and can bring to us prosperity and happiness."

* Mr. C. OBI REDDI:—"Sir, I do not wish to say this budget is a disappointing one, nor do I wish to congratulate the hon. the Finance Minister for the bright side of the budget, nor do I wish to join my Swarajist friends to say that the budget is not in consonance with the tenets of finance. But looking at the budget from the ryot's point of view I must say it is a disappointing and distressing one. If one turns to page 7 of the Budget Memorandum he will see that from 1920–21 there has been a steady increase of revenue of the province, so much so that the revenue of to-day as budgeted for 1929–30 exceeds the revenue of 1920–21 by nearly 2·2 crores and out of 18·07 lakhs for this year 42·0 is to accrue from Land Revenue, about 30·65 from Excise and 22·2 from Stamps. Thus you will see the main incidents of taxation fall on the poor ryot. What is the condition of the poor ryot to-day? A writer who has some knowledge of the condition of the Indian ryot says thus:—

'The agricultural population of India are to-day very indebted and are largely sinking under the weight of proverbial abnormal rate of interest. According to Government computation this indebtedness aggregates to about 80 crores in the whole of India that is, Rs. 25 per head; and the average annual income of an Indian being only about fifty rupees annually. This indebtedness instead of decreasing year by year shows alarming signs of increasing year by year.'

"So, you will be pleased to see, Sir, that a ryot in this province who is over head and ears in debt is burdened with heavy taxation. In this province the indebtedness of the ryot amounts to 7 crores and odd. And therefore this increased taxation which we have been seeing from 1920 onwards up to this year is beyond the taxable capacity or the limit of the ryot. When we see the expenditure side of things we also see that year after year the expenditure also is increasing. What was the expenditure other than the provincial contribution in 1920-21? It was Rs. 11,75,85,000. To-day that expenditure is Rs. 18,21,61,000. Therefore, Sir, the expenditure has increased by nearly Rs. 6,45,76,000. And what are the amenities that the ryots have been provided with by this Government—the ryot who has been taxed to that enormous extent? When we consider the expenditure side of things, we see that General Administration takes a good big slice, that is, Rs. 252 lakhs and odd. Administration of Justice takes about Rs. 99·02 lakhs. Civil works consume about Rs. 240 and odd lakhs. There are similar other items of a non-nation-building character which consume a pretty large sum, leaving for agriculture only Rs. 43·61 lakhs, for industries Rs. 22·51 lakhs, civil works Rs. 240·38 lakhs, irrigation under head 15, Rs. 50·82 lakhs and under head 16, Rs. 13·78 lakhs; for education they allot Rs. 269·38 lakhs. When we come to the amount sought to be expended under the head of education, the total amount under that head, namely, Rs. 269·38 lakhs comes to about 14·8 per cent of the total revenue or 14·6 per cent of the total expenditure according to the

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budget estimate for 1929-30. Even in European and other countries, Sir, where educational institutions are endowed with large sums, even in those countries the sums that the Government spend over educational institutions come to about 25 per cent of the revenue. As I was going through the statistics relating to Great Britain, I had the opportunity to see that in England also where all educational institutions are furnished with endowments, the Government spends upon educational institutions about 15 per cent of its revenue. Even in one of our own Native States—Travancore—the revenue of which is not more than 2½ crores, one-sixth of the revenue is earmarked for educational purposes. Therefore, Sir, our Government has not gone up even to the level of Travancore Native State in the matter of its expenditure on education. Out of the Rs. 269·38 lakhs which the Government have allotted for education, the universities and higher education consume about Rs. 37·62 lakhs, and secondary education consumes about Rs. 30·67 lakhs, leaving about Rs. 145·28 lakhs for primary education. Though this sum is about 12 lakhs more than what the revised estimates for 1928-29 show, it is inadequate for the needs of a big province like this where illiteracy is the prevailing feature.

"But on the question of irrigation, Sir, as I pointed out, though Rs. 54·28 lakhs have been provided under head 15, Rs. 13·73 lakhs under head 16, it is no solace for us, because the much bigger project—the Tungabhadra project has not been paid the due attention that it requires. The Tungabhadra project has been a subject which has been before the country for over half a century. True it is that in the year 1927-28 the Government were pleased to allot a sum of Rs. 27,000 for investigation purposes, and true it is also that according to the revised estimates for 1928-29 a sum of Rs. 95,000 has been shown to have been expended upon the investigation of that project. And this year, Sir, in the budget estimate we find that Rs. 1,52,000 has been provided for the investigation of that project. It is some source of relief, but it is not all source of relief. Unless the Government is prepared to follow up this investigation with an actual undertaking of the project and until that project comes to fruition, it will not do for the Government to say that for want of proper staff or sufficient funds or owing to another such scheme being already in the hands of the Government this scheme could not be undertaken. What the country wants is an assurance from the Government that this project, after the investigation is completed, would be undertaken and carried on to the finish. And if the Government does not give an undertaking of that nature, it is no wonder if people of the dry districts—the Ceded districts—take out a chapter from the Bardoli Satyagraha, a chapter from Bardoli, and repeat the same here. It will then be too late for the Government to set matters aright and then, Sir . . ."

* The hon. the PRESIDENT :—"The hon. Member has already exceeded his time limit."

Mr. C. MARUDAVANAM PILLAI :—"Mr. President, Sir, I rise to speak on this budget not because I expect that any good will come out of it, useful either to the public or to the Government, but I consider it my duty to express my views on the budget proposals. I consider that this budget is a barren budget, intended for this bureaucratic Government to have its hold over the subjugation of the people strengthened. The budget does not contain any useful scheme to the public except the Cauvery-Mettur project. Therefore

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I do not think that by wasting the time of the Council on the general discussion of the budget, any useful purpose will be served either to the Government or to the public. I shall state one or two reasons for my position. The resolutions of this Council are being more flouted than being respected by the Government. Take, for instance the resolution of the Council demanding the Government that permanent settlement should be conferred upon ryotwari landholders of this Presidency which is yet to be fulfilled by this Government. There is another resolution of this same Council requesting the Government to introduce a Land Revenue Bill codifying its land revenue principles and policy and taking a statutory authority on land assessment. That is yet a paper resolution. Sir, I ask what more is required from the public to understand this glaring indifference of a passive Government to the welfare of the people? Coming to the question of land revenue from my late practical experience in my district I say that the position and condition of the ryotwari landholders particularly are very miserable and deplorable, because the Government have adopted a ruthless and heartless policy in levying this land revenue assessment. Sir, the last resettlement of Tanjore has brought miseries upon the mirasdars. They were not able to pay taxes in time, but the rules are there and the officers of the Government are there to collect the taxes at any cost. What I say is even after this provincial contribution has been released, why should not this enhanced land tax be remitted to the people? But if that is not possible why should not the Government at least make their position clear and bring forward a Land Revenue Bill fixing the rate of assessment and also giving the power to the legislature, the final permission, for the enhancement of the land tax? I shall examine how far this Government which is taxing the people to the highest pitch on land is doing beneficial works such as improvement of irrigation and opening of canals for the ryots from whom they are collecting the taxes. Particularly in the Tanjore district the Irrigation department is not at all functioning well. Whether the Government will take serious notice of it or not I am not concerned. But it is my duty to inform the Government that the Irrigation department of the Tanjore district is not properly functioning. Irrigation facilities are wanting. Irrigation questions are not being properly dealt with. This fasli for the Tanjore district is a very difficult one for the ryots to pay the taxes because in the season, water was not at all found in the rivers. When the mirasdars apply to the Public Works Department there is no response. The Public Works Department do not care at all to help the mirasdars or the ryots when they are in distress. When they applied for water they did not get it and so the crops failed. This year the mirasdars have got only half crop. Then you better consider the position in which the mirasdars are placed this year. Therefore I ask this Government, how long is it going to tolerate this state of affairs. Could they not attend simultaneously to the improvement of irrigation facilities which are quite essential for the mirasdars to raise their crops in time? Because I propose to confine myself to the land revenue question, I do not want to take up much time of the Council. There is another instance I wish to mention, and that is this: They are collecting a very undesirable tax from the landholders, a tax which comes to one rupee in each case, for nattam backyard cultivation. It is a very unreasonable tax, because this nattam poramboke has been allowed by Government free of assessment for dwelling purposes. If the person concerned cultivates any

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vegetables or plants any trees in his backyard, Government propose to charge him at the rate of one rupee for every case. This is more or less a poll tax. Why should you declare first that nattam poramboke is only intended for dwelling purposes and leave it free of assessment according to one rule, and by another rule and in another way tax them at the rate of one rupee each? It is a very unreasonable tax and I hope the Government will have the magnanimity to issue the necessary orders cancelling this unreasonable tax of nattam backyard cultivation. I do not want to dwell upon the other points because I would wait for the better days to dawn, when I shall make full representation regarding other matters."

5 p.m. * The hon. the PRESIDENT :—" Is it agreed between the Leader of the House and the Leader of the Opposition that the sitting of the House should continue till 5-30 ?" (No one dissenting the hon. the President called on the next speaker.)

* Mr. P BHAKTAVATSULU NAYUDU :—" Sir, if I rise to speak on this occasion it is not to join in the chorus of congratulations which have been poured on the head of the hon. the Finance Member, but to speak on the most disparaging and disappointing budget presented to the House. I am not going to enter into the wilderness of figures nor into the secrets and jugglery of finance ; it is the hon. the Finance Member who is an expert in it. As Mr. Karant, one of the Members of the Finance Committee, pointed out, many items which were thrown out in the Finance Committee have been quietly introduced into the budget without any explanation even. I do not understand why the Finance Member indulges in mutual appreciation and congratulation of the Finance Committee, and of his own Secretaries and subordinates. Mr. President, after the dawn of the reforms, we are in no way better. No doubt the expenditure has been heaped upon us in lakhs and lakhs, the treasury benches alone consuming about 4 lakhs a year. The Ministers who are also Members coming to the Council through the open door of election have no right to take thousands of rupees for sitting there only to be transformed into winged insects like caterpillars by the hummings of the already winged insects of the Reserved Half there ; they become worse even than the white bureaucrat, and are not representatives either of the Council or of the people. They are only satisfied with their own fat salaries and go about receiving congratulations, garlands and fruits ; and as one hon. Friend pointed out, in the places where they tour, fruits and garlands have become very dear. The Government, in season and out of season, shed their crocodile tears, saying that they are going to introduce this measure and that measure, which are, after all, only in the interests of their own nation, that is, the Britishers. Take the Mettur Project. It is supposed to confer such a great boon to the country, but who is going to be really profited by it? It is the British nation, to whom large sums of money are being doled out in the shape of machinery replacing our own labourers.

" Sir, the Excise policy is there ; resolutions are there, they are only paper resolutions as my hon. Friend, Mr. Marudavanam Pillai, has rightly said, for, to the resolutions of this Council the Government pay not the least heed or respect. We pointed out some time ago that the salaries of the village headmen and talayaris should be raised because they are the real source of getting revenues to the Government and it is through them that the land revenue of five crores or so is got to the Government only to feed the top-heavy

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administration and to pay thousands and thousands of rupees to their officers and swell their bank accounts. The poor villager in the distant parts of the country toiling day in and day out at the sweat of his brow is of no account and is the last man to enter their consideration. We find in the Budget about five crores is coming from that filthy source, the stinking source of which my hon. Friend, Mr. Muthiah Mudaliyar, is in charge. What he is there for I cannot see. The hon. the Finance Member admits in his speech that the revenue from Excise is increasing, which is apparently due to more and more consumption. This is a most deplorable state of affairs in the face of resolutions of this Council for introducing prohibition. The Finance Member admits it frankly for which I have to congratulate him though not for anything else. There are some frank statements in his speech which divulge the secrets into which otherwise we could not have been taken. The resolution of prohibition is there, but what do we find in the actual facts and figures? The consumption is increasing, the revenue is increasing proportionately and the Government cannot find other ways of improving their revenues except by this stinking method of getting money from the vice of the people, exploiting the poor people and at the same breath saying that they are vouchsafing the interests of the poor people.

"As regards the Adi-Dravidas, what the Government want from them is only their votes. They solidly stand there, poor innocent people, deluged by the promises of these Government officials and the so-called leaders; and when their votes are secured, they are forgotten. I know a recent case in Conjeeveram where an Adi-Dravida was assigned three bits of land. He reclaimed his land and made it cultivable and productive. There came a petition from the jealous villagers to deprive the poor Adi-Dravida of his property, and on that petition the Government cancelled not one bit of land but all the three bits of land. I interpellated about it in this Council—our only privilege is interpellation—and what was the answer? 'The Government have no information'! What is the meaning of that answer? Are the Government unable to get the information, or are they unwilling to get the information, or is it uncomfortable to them to get the information? (Hear, hear.) It is dishonest on the part of the Government to say that they have no information. Such a big Government, with a big machinery and a top-heavy administration come and tell us in this hon. Council that they have no information though notices of such interpellations have been sent to them very many days in advance! If inconvenient questions are asked, they want 'notice'. This is the kind of reforms we enjoy; this is the situation we are faced with, for which our European friends are very solicitous and want our co-operation; and when we say anything as to the necessities of the country or in the real interests of the country, they call us obstructionists, non-co-operators and indulge in all kinds of tall talk.

"Mr. President, the Minister for Excise wants four lakhs for doing propaganda work. When we ask for details about this propaganda work, it is all confidential, either he won't say anything about them or he cannot give us any details. This is going to be another criminal waste of the taxpayers' money. The Government know, the Finance Member knows, ways and means of bringing about prohibition if they have a mind. They have no mind, they want to exploit us, they want to get their revenue to feed their own high-paid officials. What right have these Ministers to sit there and swallow four thousand rupees a month? (Hear, hear.) They are also

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Members like ourselves, and must practise self-denying ordinance. Instead of that, they sit there to be whispered to in their ears by their European bureaucratic friends. They cannot do anything, and they will not do anything for the good of the people. We know how the Chingleput District Board affairs are going on. Things are going from bad to worse there. What action has the hon. the Chief Minister taken? He goes there, and receives congratulations, and a large number of children are brought from distant parts of the country to unfurl flags in honour of him. He will open something somewhere and children from different parts have to flock to show their loyalty to him. The district board president will make a show of all these things to please him. These are the conditions in district boards. Then coming to the Self-Respect Conference, where is the self-respect that we Indians have in this British Government, as long as they go in their own way? They know how to capture us by throwing some crumbs here and some crumbs there. How is our position with regard to education? What is the percentage of literacy now? The Native States have taken vast strides in this matter. Has the Chief Minister been serious enough to go into the statistics and devise means and measures and get to the very root cause of such illiteracy? Then what became of the stamp duties and registration fees? They have been raised and they still remain there increased and they would not see their way to restore them back to their original rates, though things have long ago assumed their normal conditions and are even in a more affluent state."

* Mr. C. S. Govindaraja Mudaliyar :—" Mr. President, the Members of this Council as at present constituted, Sir, are under the absolute disadvantage of not being able to reshape the budget after its emergence from the hands of the Finance Member. It is compact and inelastic. Its outermost fringes may, perhaps, the major part of the House if it so wills, and the chances are very few and far between if they occur at all, be pulled and torn to a small extent, but to be repaired almost immediately and ultimately fully by the ruling hand of the Head of the Government. It is an unenviable situation. Better days that are promised by this Government itself may witness a real work of construction of a budget by the Council in the interests and for the benefit of the tax-payer.

" The major part of the income is consumed in running existing establishments with their progressive expenditure on sanctioned scales. The minor part of it goes to provide for the completion of civil works under execution.

" A sum of Rs. 1,726 lakhs is thus consumed out of a total anticipated income of Rs. 1,807 lakhs, leaving the balance of Rs. 81 lakhs to be operated upon afresh in the coming year. If the Finance Member is content to cut his expansive coat according to the surplus cloth, a nil balance budget could be presented.

5-15 p.m. " Here comes the duty of the Council to scrutinise the proposed methods of expenditure. The Finance Member has discussed and put forward schemes for the coming year. He is desirous of committing the House to a non-recurring expenditure of 165 lakhs and of Rs. 46 lakhs recurring and relating thereto in the years to come while the immediate burden for the year is respectively 86 and 31 lakhs. And he budgets for a deficit of 36 lakhs giving

the assurance that for the present year and the year to come the Council need not be near the brink of bankruptcy as the ancestral saving at the bank could bear the excessive expenditure. Much deliberation is not necessary to characterise this as unsound finance. I daresay he will readily concede it, as, in a way he concedes, when he expresses a hope against hope based on the normal but slow growth of the revenues and on a system of readjustments between heads of recurring and non-recurring expenditure. His elucidation of this interesting branch of finance does not lead to any definite and satisfactory solution of the problem when it will take an actual form in the immediate years to come.

"A perusal of the budget papers leads one to suspect that ground is being prepared for a determined demand for exploiting further sources of revenue or enhancement in the existing sources. The land revenue affords the most temptingly prospective ground. The continued default in not bringing on the Statute Book a Land Revenue Act appears to be an indication of the movement of the mind of the Government in the direction of continuous exploitation of revenue from land.

"The reasons for increased expenditure in the Excise Department are naive, and concern is pretended about the welfare of the populace in protecting them against destruction from liquor illicitly produced. But no attempt is made for putting an end to the vice of drinking. Anticipated loss of income is not budgetted for nor even alluded to as probable by the Finance Member whose eloquence fights shy of a theme which is pressed upon the attention of the Government on every conceivable occasion and in every conceivable form. The Finance Member cannot be congratulated for this deliberate omission. He dangles a prize of four lakhs for propagandists ironically without anticipating results therefrom adverse to revenue. It is doubtful whether this sum is going to be wellspent It is apprehended that pseudo-propagandists may find a comfortable living out of it. The association, of late, of the Ministers with quixotic movements disruptive of basic principles of Indian society affords ground for such apprehension.

"In the matter of the Law Courts the administrative rod has been withheld from the members of the Bench who exhibit irascibility and ill-temper mostly due to chronic ill-health in spite of complaints received, and has been misused in the case of independent members thereof when disposing of cases of political complexion. In both cases the attitude of the Government is to be deprecated.

"As to law reporting, the much needed reform in increasing the volume of production, improvement in contents and quicker issues at shorter intervals have not been attended to, although examples of private reports show the way. Energy seems to be spent in gaining or extending patronage to the staff.

"Racial discrimination in the re-organization of the City Police Force is bound necessarily to create discontent and consequent fall in efficiency. Misguided activities of the Police are condoned, if not encouraged, by the attitude of the Government who show a pachydermous skin to attacks legitimately directed against. They can only succeed in driving resentment deeper with the natural rebound on the first favourable opportunity.

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"The attitude of the Government in the recent troubles in the South Indian Railway system cannot commend itself to a dispassionate mind. Their active support of the Railway authorities and the persistent way in which employees and their friends are being pursued savouring of vindictiveness and the large expenditure in the conduct of proceedings are not matters on which the Government can be congratulated.

"The activity of the Minister for Local Self-Government has been taking very undesirable courses and, in spite of exposures on the floor of this House, has not shown signs of being corrected. The neighbouring district of Chingleput affords sufficient scope for condemnation in the administration of its local affairs.

"The attitude of Government in persisting in locating the Tuberculosis hospital in the Spur Tank in spite of legitimate protests is again reprehensible.

"If the Members of Government will give a greater measure of response to the grievances formulated on the floor of the House, they would earn an increasing measure of thankfulness."

5-30 p.m. * Mr. A. KALESWARA RAO :—" Mr. President, I congratulate the King's Government of this province for having worked the unworkable diarchy during its full course of nine years. But, in doing so, it has had to demoralize the political parties by offering them posts which carry fat salaries and it has had to keep in office as Ministers, gentlemen with no inherent strength, backing them up at each and every stage as the East India Company did in the old days with reference to the Nawabs on the thrones of Indian States. We, of the Swarajya Party, always proclaimed that diarchy is an unworkable system, that it would bring no good to the people of this country, and that it will end only in demoralizing the political life of the country. Now, Sir, that that very King's Government has pronounced a death sentence on diarchy it would have been graceful on the part of Ministers to come out of that diarchic system and join the Opposition Benches.

"Sir, the Budget is very disappointing from poor people's point of view, from the point of view of the agriculturists and from the point of view of the labourers and people dwelling in cottages in this country from whom a prosperous and self-respecting nation has to be built up. I sympathise with the hon. the Finance Member when he in his closing remarks referred to the great problem that lies before the future Financial Members. He says: 'My mind dwells rather on the immensity of the needs which have yet to be met, on the growing intensity of the demand that they should be met, and on the inadequacy of our resources to meet them.' That is the gist of this Budget. We, or rather the Members of the present Council, have seen three Budgets and our opinion is that the present Budget has followed the lines of the previous two Budgets with slight modifications in details.

"The chief feature of this Budget is the establishment of a top-heavy administration, giving to one of the poorest portions of a poor country the costliest administration. That is the defect Instead of the three Members who were carrying on the administration of this Presidency, we have now seven and, recently, there has been the addition of three Council Secretaries. And now, this Government have proposed in their Memorandum to the Simon Commission that there should be Ashtapradhanies (eight gentlemen) to carry on the administration. Naturally they would have eight Council

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Secretaries. In that way the costliness of the administration is increasing from year to year. They find funds for all this and not for the redress of the grievances of the ill paid officials of the Government, such as village monigars, vettis, talayaris, and the elementary schoolmasters. That is the chief feature even in the present Budget.

"With regard to the grievances of the masses who are groaning under heavy taxation and whose indebtedness is proverbial, the Budget has not even sought to find a solution. We see, Sir, that during these ten years the revenues of the Government have increased considerably. We have practically reached the maximum of taxation that the people can bear. If the Government could not do anything for them by way of remission of taxation, by way of at least making the assessment of revenue permanent or by way of giving them real relief, by improving agricultural methods and giving industrial, vocational and agricultural education, by improving the cottage industries, rural sanitation, etc., and making their life happy and contented now when taxation has reached the highest point, I do not know when they can do so. The Government have not cared to introduce the Land Revenue Bill by which the revenue assessment could be brought under the control of the Legislative Council preventing arbitrary resettlements. The Government have felt nervous in giving relief to the zamindari ryots by bringing an amending Bill to the Estates Land Act providing for remission in zamindaris and for redress of grievances of the ryots in respect of forests, tank repairs, etc. The Government are afraid of opposition from the zamindars and that is why they hesitate to bring in an amending Bill.

"I see, Sir, that penal assessment is expected to bring in Rs. 7,65,000 in the new year. Sir, so much income is expected from water-rate charged by way of penal assessment for taking water without the permission of Government for irrigating dry lands. Instead of the Government thanking the ryots for bringing lands under cultivation which are not fit for any cultivation at all, they are levying every year several lakhs by way of penal assessment. There have been several questions about this in this House. The poor ryots of the Kistna Eastern delta are groaning under this penal assessment. This year the Government have a surplus of four crores and odd to begin a new year with. With this opening balance, instead of beginning in right earnest the Excise reform the Government thought it fit to discharge some debts and to keep two crores and odd as opening balance for the next year. Really the Finance Member has had the best opportunity to do this, now that the provincial contributions have been remitted and there is a large surplus. He should have cut off some portion of the Excise revenue—a revenue from drink which is ruining so many millions of our people. The Excise question is a question of the masses, of the labourers and of the petty agriculturists."

III

PAPER LAID ON THE TABLE OF THE HOUSE.

Annual Report[a] on the working of the Local Audit Department, Madras, for 1927-28.

The House adjourned to meet again at 11 o'clock the next day.

R. V. KRISHNA AYYAR,
Secretary to the Legislative Council.

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[a] Printed separately.